

for CONSTRUCTION

FINANCIALTIMES

No. 27,636

Monday August 14 1978.



CONTINENTAL SELLING PRICES: AUSTRIA Sch 15; BELGIUM Fr 25; DENMARK Kr 3.5; FRANCE Fr 3.0; GERMANY DM 2.0; ITALY L 588; NETHERLANDS FI 2.0; NORWAY Kr 3.5; PORTUGAL Esc 20; SPAIN Pto 40; SWEDEN Kr 3.25; SWITZERLAND Fr 2.0;

GEHERAL

Eighty die in Beirut blast

when a massive explosion destroyed the Beirut headtinian guerrilla group.

the eight-storey building, did not off this morning, blame the attack on any specific group but it has been involved in increasingly bloody battles with members of Yasser Arafai's Palestine Liberation Organisation.

BL Cars faces a challenge from unofficial leaders of its 14.000 craft workers today. The craft committee is urging a one-day slopnage for improved different

Hospital authorities said that rights. they expected more deaths as a result of the blast.

might boycott the European to pass on to the nationalised Games in Prague this month as British Aerospace the financial a protest at the continuing use responsibility for civil aircraft of banned drugs by Eastern Bloc research. Back Page rivals. Page 6

12-hour delays

that it plans to build five new settlements in the Jordan Valley on the West Bank. The decision, taken some weeks ago, was dis-closed after Opposition com-plaints about secrecy. Page 2 Carter's gamble, Page 37

Settlement plan

Stonehouse ill

'ohn Stonehouse, former Labour makers' finister serving a seven-year sentence for fraud, theft and deception. collapsed in Blunbeen heavily hit by EEC imports destan Prison, Suffolk, and was in their home maket during the destan prison.

An aide to Cardinal Hume said

Please. We're British will move. Page 3 become the longest-running comedy in the history of the British theatre when it reaches its 3.000th performance on Thursday. Box office takings have passed £3m.

Briefly

three more towns in the Isfahan apply to court for a moratorium, area amid fresh disturbances, the Consultative Committee of Auti-Nazi League plans a demonstration on Sunday to make Brick Lane, east London, a "no-go area" for the National Front. Premium Bond £50,000 prize goes to Essex holder of Bond 7PF of this year, the Finance Minister Ronnie Peterson of Sweden won

the Austrian Grand Prix in a Page 39

BUSINESS

Vauxhall talks resume today

 NEGOTIATIONS resume today to try to solve the dispute at Vauxhall's Ellesmere Port At least 80 people were killed threatens to dislocate output and a similar number injured throughout the company's when a massive

destroyed the Beirut head. The Merseyside plant will not quarters of a pre-Iraqi Pales three-week holiday shutdown thian succession. three-week holiday shutdown because of a strike by 3.000 TGWU workers. A further 5.000 The Palestine Liberation TGWU workers. A further 5.000 Front, a radical group based in AUEW workers are being laid

tials and separate bargaining

OFFICIAL confirmation that the year-long decline in the annual rate of retail price infla-

 MANAGERS of the proposed Slbn loan to Nigeria hose that the international banking langle Glasgow was the worst-hit UK which has arisen over the hour airport with delays of up to 12 will be sorted out as week hours as French air traffic con-trollers continued their work to

FRENCH jobless intal reached a record high of 1.334m (seasonally adjusted) in July—the Brain Israel's Government has admitted and marking an increase of more

EEC imports 'hit vehicle

taken to an outside hospital. He past few years without gaining suffered a heart attack last year.

any comparable benefit from export sales to the Community.

a survey of the British motor industry concludes. Page 3

Brieffy

COMPANIES in financial

Iran spread martial law to cover difficulties should be able to Accountancy Bodies says. But it should apply only where reasonable chances of recovery exist.

STAR OFFSHORE Services Translation of Shakespeare's made pre-tax profit of £1.9m complete works has been pub- (£1.8m) on turnover of £12.9m lished in China for the first time. (£9.4m) for last year.

CONTENTS OF TODAY'S ISSUE

Technical page

Leader page UK companies 38 International companies ... 39 Foreign Exchanges Mining Notebook 39

FEATURES

Incomes policy: limits to German lesson 8
arter's gamble in the
Middle East 37 German lesson FT SURVEY Indian Industry 9-36

Appopulation Notes ...
Businessman's Diary
Contracts & Tondors
C-osswerd
Entertaloment Guide
Enrobend Issues ...
Financial Diary ...

For latest Share Index 'phone 01-246-8026

Today's Events . . .
TV and Radio
Unit Trusts
Weather Base Lending Rates ANNUAL STATEMENT Proces Holdings ... 49

Japanese leaders seek to triple emergency imports

BY ROBERT WOOD, TOKYO, AUGUST 13

A new plan aimed at tripling the size of Japan's "emergency imports" programme was disclosed here during the weekend by two of the country's THE CHINESE authorities, in most important economic leaders.

To date, Japan has talked in terms of \$4bn in emergency imports. If the new programme

The emergency imports programe is separate from Japan's

Mr Toshio Komoto. Minister for International Trade and Industry, and Mr. Kiichi None of the Economic Planning Agency, have devised a scheme for special imports of fuels and equipment worth \$12.5bn during the fiscal year ending next March 31.

To date, Japan has talked in terms of \$4bn in emergency imports. The scheme has yet to be ing with emergency imports. Under the plan Mr. Miyazawa and Under the plan Mr. Komoto agreed yesterday, the imports is thought likely to goal for utilities' special puralization in the structural long-term chases of uranium ore and ensurance in Japan's trade and some purchases might eventually payments for liquefied natural increase imports. The programment is a short-term expedient to control the surplus immediately and so give the from foreign charterers is infoovernment encouraged structural changes time to work.

terms of \$4bn in emergency imports. If the new programme succeeded it might more than halve Japan's current-account surplus.

Private agencies predict that Japan's current-accounts surplus, applied to the ports, might total \$20bn.

The agencies in emergency imports of \$2.5bn.

Government encouraged structure creased from \$500m to \$2.5bn.

Japanese companies have used in a related decision, the two foreign charterers largely become agreed on Saturday to cause foreign charterers largely become encourage Export-import Bank to employ low-wage toreign seamon. To reach the new goal for opment projects abroad. The emergency ships imports, the loans will encourage outflow of Japanese will have to find a way capital, though there is no estimate yet of the amount.

The agencies predict that succeeded it might more than halve Japan's current-account surplus.

Prince in jet

Gredrama

Prince philip was aboard a scheduled jumbo jet whose undercarriage caught fire at Calgary after two abortive take off attempts. During the second run four tyres burst. No one was hurt and the Prince arrived islandards for the public sector fight.

Boycott threat

As the Commonwealth Games ended in Edmonton, Geoff Capes, shot putt gold medallist, said that he and other British athletes might boycott the Europeach and the Prince, George might boycott the Europeach and the Prince gray the first and the Prince arrived the section are continuing and inquisition are counting steering from a broad and the Prince arrived is an advantage.

Boycott threat

OFFICIAL confirmation that the year-long decline in the sanual rate of retail price inflation and should come this source and should come this source are supported by the sight.

Prince Philip was aboard a scheduled jumbo jet whose undercarriage caught fire at Calgary after two abortive takes off attempts. During the second run four tyres burst. No one was hurt and the Prince arrived in the polici sector fifthe proposals of the Inflation accounting Steering Group (Morpeth Group) are delayed much longer.

Boycott threat

As the Commonwealth Games and the Prince arrived in the public sector fifthe proposals of the Inflation accounting Steering Group (Morpeth Group) are delayed much longer.

Back Page

OCONCERN is being expressed to the acrospace industry at the matural resource investments conventional efforts to increase to importate that meeting the S800m ship. It had been estimated that meeting the solvent line from accounting of products that would ordinarily be imported later.

Apart from fuels, embracing the natural-resource investments characted wessels; Meeting the natural-resource investments of characted wessels; Meeting the natural-resource investments of characteric meeting the S800m ship purchases of products that would be imported later.

Apart from fuels, embracing the natural-resource investments of continuities of prince by all q

Tanker owners fear spot trade boom may be-short

OIL TANKER owners hope that abandoning the U.S. dollar as It said that with new oil this week will see the best spot the main oil trading currency— tanker deliveres slowing this

of a scramble for tanker capacity within the organisation that oil bound in virtually every oil-loading area loadings may be restricted for restored in the markets.

of the world.

a period before the orice This balance, a

depressed charterers market into an owners market and pushed rates from worldscale 28 in WS 37.5 for very large crude

An aide to Cardinal Hume said after Pope Paul's funeral in Rome that it was hoped the constaint was ho

Anxieties

for more than three years, but a rapid effect on crude oil prices, at an unusually high rate and fear that the boum may end as only companies are reacting the number of tankers laid appropriate than usual to the price. Tising to almost 15 per cent of Owners and brokers were sur
Owners and brokers were sur
Tising to almost 15 per cent of the price of tankers laid appropriate than usual to the price. The world fleet, a balance of the period of the price of the period of the price of the period of th prised last week at the emergence been for some time suggestions between supply and demand was

This transformed a chronically increase to provent stocking-up, achieved in the Gulf last week could be destroyed rapidly if only a small number of the 56m deadweight tons of tankers laid up were reactivated.

to WS 37.5 for very large crude curriers (VLCCs) loading in the This year, there is also more it was for this reason that Gulf within the space of three oil storage available in the U.S. Scandinavian tanker owners days.

Explanations for this first companies more flexibility in surge of life in the tanker man managing the movement of owners to join an orderly market since the 1374 oil crisis crude from the Gulf to their ketting cartel to sustain any included removes of a renewal U.S. terminals.

Rail unions warned of job cuts in freight business

BY OUR TRANSPORT CORRESPONDENT

term projections by the British Rail Board show that the improvement cannot be sustained without rapid increases in productivity.

The Post Office said last night freight, resulting in S0 per cent of coods being carried in block frains which do not use marshalling yards.

No figures were given for the situation will worsen this in British Rail's rationalisation in the proposals of Lord in British Rail's rationalisation in the proposals of Lord in British Rail's rationalisation in the proposals of Lord in the proposals of Lord in British Rail's rationalisation in the proposals of Lord in the prop

plan, but an initial target of Access to subscriber-dialled McCarthy: who has suggested about 8.000 is thought possible. dialled calls to Europe is a productivity-linked reduction. Rail freight's problems are described as "reasonable" by in the engineers working week compounded by the recession in the Post Office though the success for 40 66 374 hours.

BRITISH RAIL'S financial performance continued to improve of the financial improvement so that first half of this far this year has resulted in a year, but railway trade unions have been warned that another push is on its way to reduce manpower in the freight business.

According to figures to be made public shortly in British Rail's first half-year statement, the rail freight business is heading for a break-even point this year, having lost £5.5m last year and £66m in 1975.

This will keep British Rail within the Government's guidelines for rail freight, but longer-lerm projections by the British Paril Paril Rail and projections by the British Paril R

Phone dispute peace bid

Interest offer to China 'below minimum

By David Housego

CANTON, August 13, their efforts to obtain the best possible borrowing terms, have claimed to Western Governciaimed to Western Govern-ments that Japan has offered them credit at interest rates effectively below the minimum formerly agreed by in-dustrialised nations for long-term support credits to developing countries.

Should this prove true, it will lead to further criticism of Japan from major indus-irlalised nations, already impatient with the continuing magnitude of Japan's frade sarplus.

Under a 'gentleman's agree-nent " between OECD memhers, the minimum interest rate on export credits to developing countries of five years or more is 7.25 per cent. The Chinese have not sub-stantiated their claim that the

Japanese are getting around agreements, except to hint that Japan is using its strong foreign exchange position to help China.

Orders

It emerged over the weekend that in further discussions in Peking with members of the British trade delegation under Mr. Edmund Dell, Trade Secretary, the Chinese said that they now want full buyer's credit to finance what increasingly seems the tery large orders they are prepared

—as long as it is fully com-positive.

The step is a further mile-stone in China's emergence in international markets as an open horrower.

international markets as an open borrower.

The Chinese are looking for Export Credits Guarantee Department credit over five years and are likely to obtain maturities of between 8-10 years. The department will shortly be informing industries and banks most cinceled. tries and banks most closely cerned of the position. Necotlations are now expected with Bank of China

on the legal technicalities of drawing up buyer's credit As was once the case, China is rejuctant to accept provision

for arbitration in the event of a dispute being written into a important as the size of con-tricts grows. There is also difficulty in defining under whose laws a contract would

be made.
As the amounts involved in Continued on Back Page

'Rescue' main weapon in Chrysler deal

BY JOHN HUNT AND NICK GARNETT

THE GOVERNMENT is prepared THE GOVERNMENT is prepared if necessary to take legal action against Chrysler for the repayment of some of the large sums of public money which the American car company received as part of the rescue operation of its UK plants.

Ministers see this as the main weapon in their armoury in negotiations which start this week on the proposed Peugeot-Citroen takeover of Chrysler's British operations

Mr. Eric Varley, Industry Secretary, and Mr. Alan Williams, Industry Minister, today meet leaders of the company's nine unions to discuss the deal, which is part of Peugeot-Citroen's \$420m proposal to buy out all Chrysler's European.

There is now a feeling among union leaders that Peugeot's main interest in Chrysler's UK operations is its medium truck

plent at Dunstable. Union chiefs consider this to be a possible bargaining counter, which the Government can use to persuade Peugent into giving firm commitments on job security within the company's

car division.

Apart from listening to inforfor 151.5m in grants and £30m in
mation supplied by Mr. Varley loans from the British Governmation supplied by Mr. Varley and pressing for assurances on job security, the mions mucht also ask for an early meeting with Penson transporters. with Peuscot management.

Most upion officials believe
that such a meeting would be
better held under the auspices
of the industry Department.

More details

when a clear picture of Penzeon's Intentions has emerged a
joint union meeting of senior
union officials and shop stewards
is likely.

Mr. Varley has told M. JeanPaul Parayre, head of PengeotCitroen, that he wants argent
talks with him or appropriate
Board members in London in
learn more details of the French
company's plans.

It is hoped that suck a meeting
can take place this teek
in theory, the Government should use the
intensy, the Government should use the
intensy, the Government should use the
company's plans.

It is hoped that suck a meeting
can take place this teek
in theory, the Government should use the
intensy, the Government should use the
company's plans.

It is hoped that suck a meeting
can take place this teek
in theory, the Government should use the
learn more details of the French
in theory, the Government should use the
industry. Act to block the takeover will get short shrift.

Mr. Varley and Mr. Williams
will impress on the unions the
success of the negotiations.
When he meets PengeotCitroen, that he wants argent
the Government should use the
industry. Act to block the takeover will get short shrift.

Mr. Varley and Mr. Williams
will impress on the unions the
success of the negotiations.
When he meets PengeotCitroen officials, Mr. Varley will
want to know how their development programme would differ
from Carysler's: what
with the Government should use the
industry. Act to block the takeover will get short shrift.

Mr. Varley and Mr. Williams
will impress on the unions the
successity of giving meaningful
and categoric undertakings no
productivity to ensure the
success of the negotiations.

When he meets PengeotCitroen officials, Mr. Varley will
want to know how their development programme would differ
from Carysler's: what
when he meets pengeotic the form care the success of the negotiations.

When he meets pengeotic the form care the success of the programme would differ
from Carysler's: what the opportance of the form of

ment in an sultumn election. Ministers believe that the future of the British operations.
Such a move would cause Chrysler to bring pressure to hear on the French motor com-gany to achieve the hear possible terms for the British plants and

workforce, particularly for the



much troubled Linwood factory Scotland. So far, Chrysler has received

operations. As the agreement still has a year to run and as the American company did not inform the Government of the French take-over bid until the eleventh bour. Ministers believe that they have a good ease for action in the British courts for the recovery of at least some of that money.

When a clear picture of Penturn of events and see the gent's intentions has emerged a French bid as a chance to re-loint union meeting of senior negotiate a better deal and give

what new generation of models is envisced; which markets will be served, and from where. Ministers believe that the be served, and from where, threat of lenal action against Further discussions will then that obtaining firm undertakings the Departments of Industry, from Peauseol-Cirreon should be Employment, Scotland, and the Treasury, to draw up a specific

agreement.
A final decision is likely to be taken at a Cabinet meeting early in September.

Editorial Comment, Page 8

It certainly is when you've got one of GRE's Family Income Benefit policies behind you.

(If you haven't talk to your insurance adviser today).



Head Office: Royal Exchange, London ECSV 3LS One of the world's great insurance companies.

French unemployment up 30 per cent in two years

THE FRENCH economy is brace this was 16 per cent fewer than March general election.

Ing. itself for a rather gloomy in July last year.

The index based on 100 in 1970. pectations of increasing unemrise in the number of unployment and a slow-down in employed is a result of commarked the first half of the year in order to benefit from the infigures from the Labour and
Economy Ministries.

The number of people looking
for jobs rose in July for the
registered last month were from
a year ago, while on a seasonally school-leavers is to be expected
adjusted basis the number of after the end of the summer
jobless reached a record high bolidays, and some observers
an increase of more than one
The announcement coincided

dropped to 126 in June from 127
In Jun

The authorities say the recent dropped to 126 in June from 127 Rhodesia's transitional govern-rise in the number of un in May and was 1.5 per cent down ment, today quashed attacks on terminal. The port's importance

SALISBURY August 13.

BISHOP ABEL MUZOREWA, one of the black members of Rhodesia's transitional government, today quashed attacks on his leadership of the United African National Council (UANC) and won a resounding to the wake of the energy crisis real delegates of the party.

Four senior local party officials who had criticised the Bishop as the alderman responsible for loss of the party loss of the party loss of the alderman responsible for loss of the party loss of the alderman responsible for loss of the party loss of the pa

has passed 1.2m, and marking will touch 1.5m.

The announcement coincided last three months. The growth of the third in two years.

At the same time, the number production index for June, a settickly to slow down to an annual back to the growth trend which rate of between 4 and 5 per cent in the second half of the year year. The delegates unanimously in absolute terms to 87,500 and year, spurred by the confidence compared with the 6 to 7 per cent absolute terms to 87,500 and year, spurred by the confidence compared with the 6 to 7 per cent of consumers after the Centrelevel which France has enjoyed By both means of calculation, Right coalition's win in the since the summer of 1976.

A meeting of 200 delegates also only a modest recovery in the last three months. The growth of the UANC.

A meeting of 200 delegates also only a modest recovery in the last three months. The growth of the conference to discuss the future of Rhodesia, as proposed by Britain and the U.S.

The delegates unanimously passed a motion of confidence in Bishop Murorewa, asking him to speak for the party and the country as be saw fit.

Patriotic Front who had switched their allegiance to the transi-

Muzorewa

from UANC

critics

expelled

Portuguese leader to meet Socialists

campaign ever fought in the 17
year Eritrean war for independance from Ethiopta.

Its main significance lies in the fact that the Government is now in a position to launch a two-pronged assault on the Eritrean dity of Keren which is held by the EPLF, the stronger of the ments but it was substantially movements. Informed sources here say that such an assault may already have begun with the Tigrai People's Liberation with fully mechanised mains and a heavy reliance on sirpower.

Government set out to mobilise mented except in the western lowlands against the battered provinces. Instead, provinces.

Ethiopia appears to be concentrating its full strength for the confrontation with the EPLF. Socialists tomorrow in an attempt to change their apparent government plans a placer of the ments, but it was substantially government plans a placer of the ments. Informed sources here say that such an assault may already have begun with the Tigrai People's Liberation units and a heavy reliance on sirpower. Government that was not led by Socialists, adding that this would almost certainly rule out their participation on an individual

The Socialists are clearly angry at the way in which President Ramalho Eanes appointed his new Prime Minister last week. They say Sr. da Cosia did not feature among the five possible

China accused

HONG KONG, August 13. VIETNAM TODAY charged China with a border encroachment and killing a number of peasants in the latest of the accusations being exchanged by

There is now speculation over the uext Pope, especially since the balance within the concleve has changed with the increasing Jordan Valley section of the will age established in the valley weight of the developing world. For the first time since the election of Adrian VI. a Dutchman, in 1522, a non-Italian could be chosen, although the odds are still thought to be against this. However, of the 115 cardinals entitled to vote, more than 100 series appointed by Pope Paul, and it is reasonable to expect that many of them will wish to elect a new pontiff who will continue Pope Paul's work.

The victnam News Agency (VNA) monitored here, said victnam had protested to China over an incident on Thursday in which between still gets established in the valley will get established in the valley. They will reduce the string of Jewish villages established in the valley will get established in the valley will get established in the valley. They will reduce the string of Jewish villages established in the valley will get established in the valley. They will reduce the string of Jewish villages established in the valley will get established in the valley will get established in the valley. They will reduce the string of Jewish villages established in the valley will get established in the valley. They will reduce the string of Jewish villages established in the valley will get established in the valley. They will reduce the string of Jewish will get entired the research that many of the feat will get established in the valley will get established in the valley villages established in the valley villages established in the valley villages established

Even without it, relations

agreement has raised speculation of a developing U.S.-Japan-China axis opposed to the

Soviet Union. Even while the negotiations were going on, a Chinese delegation was looking admiringly at U.S. weapsons at would be a direct affront to a Tokyo aerospace display. Japan Moscow.

Russia-Japan relations plumability between the U.S. and

ment: machinery to co-operate

Anglo-Chinese trade can be expected at least to triple or quadruple over the next few years, according to British sources following the visit of Mr. Edmund Dell, the British Trade Secretary, to Peking. Anthony Rowley in Hong Kong writes that China regards this as a "conservative" estimate.

Initial Angle-Chinese trade and industrial co-operation is likely to centre on coal mining, oil, chemical plants and possibly steel. Although none

Mr. Henk van der Pols, imported into Europe in the markets in North America by imported into Europe in markets in North America by switching to Europe.

The oil refineries in Rotterdam refinery alone spacing to become the site terminal to receive 800n metres of Algerian I gas between 1984-2004 fam initially seemed to be chosen for the albut the new harbour of teen in north-east Holland is being considered as a laternative.

The oil refineries in Rotterdam on its Rotterdam refinery alone on its Rotterdam refinery alone on its production facilities on its production facilities and Moerdijk. Shell expects to lose Fi 240m on its production facilities and in 1978 after losing Fi 300m last report. To compensate consideration at Pernis and Moerdijk. Shell increase secondary processing to increase secondary processing and replaced it with an are now refining more to compensate for their own oversal losing stoped since it can be bought from Comecon countries are increased at the terminal power of the laternative.

The oil refineries in Rotterdam on its Rotterdam refinery alone on its Rotterdam refinery alone on its Rotterdam refinery alone on its production facilities on its production facilities and Moerdijk. Shell countries secondary processing to increase secondary processing to increase secondary processing to increase secondary processing and much smaller plant. Naphtha production has been Naphtha production has been Naphtha production has been countries and Italy. Shell Less than 50 per cent of capacity will be kept in use in future countries and Italy. Shell countries and Italy. Shell countries and italy accounts for 18 per cent of figure from Comecon countries are increased in the Middle East and morth year and it is considering reduction from a production facilities and Moerdijk. Shell countries are finery and replaced it with an are now refining more to compensate for their own or fine plant. Naphtha production facilities and increase secondary processing to increase secondary processing to increase secondary Chinese mission visits Australia BL wins £8m bus,

buying mission has left Peking for a one-month visit to Australia which will almost certainly lead to large orders for industrialisation and steel products.

The seven-member mission is led by Mr. Pi Yi-Ming, the deputy general manager of the China National Minerals and Metals Import and Export Corporation (Minmetals).

Other members are specialists in a range of mineral purchases, iron and steel products and transport of ore and iron products.

Australian diplomatic officials are confident that from about 25m tonnes to 60m about 25m tonnes tonnes.

The Minmetals group will able with fire travel widely in Australia and the purchase of iron ore explore metallurgical interests ton 60m ore explore metallurgical interests beyond the purchase of iron ore explore metallurgical interests to 60m about 25m tonnes to 60m about 25m tonnes and the firm Australia and the past two week The biggest order is for 71 trucks for 57i Lanka in the past two week The biggest order is for 71 trucks for 50 trucks wort 25m tonnes and are expected to show a particular interests in Australian copper—an interest which has freshed double-deck buses for £1.5m.

Hong Kong is taking if the firm Australia and Minerals group will be evaluation and steel products and tr BL, formerly British Leylan

southern China, according t

AP-DJ in Hong Kong.

The newspaper said the Hon-Kong factories would be providing mainly technological know how, management skills and mos of the sophisticated machinery

VOLKSWAGEN AG plans to 1976—just prior to Figt's appear 10 per cent share of the market invest \$600m in its Brazilian sub- ance in Brazil—Volkswagen while VW's Brazilian unit saw its sidiary over the next four years, accounted for 61 per cent of local sales ft; to 56 per cent of the but it has shelved plans to pro- auto sales. But in the first six market bal.

Ishikawajima-Harima Industries (IHi) has ag lead to China three ships by a Greek owner but compared to the world shipping there.

Herr Tony Schmuecker, said here Ishikawajima-Harima Heavy Industries (IHI) has agreed to sell to China three ships ordered by a Greek owner but cancello

Brown, Boveri is supplying 10 gas turbing to Riyadh and Suburbs Electric Company for turnkey invallation in the Riyadh 5" power station. The order, the total value of which +2,900 is put at SwFr 400m, consists of eight turbines covered by a contract signed in July, 1977. 28,426 +0.084

Argentine tariffs cut

Argentina's Economics Ministry
104.357
104.357
109.520
-5.163
Argentina's Economics Ministry
has anounced a 10 to 15 per cent
reduction in import tariffs
affecting 415 products not produed in the country and used
as components by Argentine industry, Reuter reports from
Buenos Aires.

Ethiopian troops take major town By DAN CONNELL By both means of calculation, Right coalition's win in the since the summer of 1976. Ethiopian troops take major town KHARTOUM, August 13. Bishop Muzorewa, asking thin to speak for the party and the country as be saw fit. The Bishop yesterday addressed a UNAC rally in the Musana' tribal area about 40 miles north of Salisbury. Press pictures showed him with people described as guerrillas of Mr. Robert Mugabe's faction of the Patriotic Front who had switched

GOVERNMENT Cuben forces on the ground and

a foregone conclusion since area of Eritrea. Ethiopia overran a series of ELF.

have started, but known opinion

may well change during the preparation and in the course of

the secret conclave starting August 25 to choose the Pope's

There is now speculation over

The Pope

is buried

held cities and towns during the past three weeks of what has become the largest military campaign ever fought in the 17 and danks its forces inside lexibility in the western and danks its forces inside lexibility to bettered

forces rolled into the city of Agordat this week taking the last major 10wn from the Eritrean Liberation - Front (ELF) and setting the stage for a showdown with the Eritrean People's Liberation Front (EPLF).

The fall of Agordat has been a foregone conclusion since a foregone conclusion since and the conclusion since and the capture of all cities and the capture of all cities and towns along these roads. To date this has been only partially successful.

Stage three principal highways ing of three principal highways ing of three principal highways to the encircled city of Asmara.

Cuban lorces on the ground and ing of three principal highways ing of three principal highways to the encircled city of Asmara.

Stage three principal highways ing of three principal highways and the capture of all cities and the capture of all cities and towns along these roads. To date this has been only partially successful.

Stage three, which involves area of Eritrea.

Stage two called for the open-ing of three principal highways running from Tigral and Gondar

Government strikes on rura

Talks on NY newspapers

ROME, August 13.

POPE PAUL VI was buried in the Vatican crypt this week-end after a funeral service which has prevented the history of his Church, in the open pizzza before St. Peter's and televised by satellite to more than 1bn people in 94 countries. Now the Vatican is turning its attention to the future of the Church and the choices of the Church and the choices of the Church and the choices of the charch and the choices of the church and the choices of the church and the choices of the choic the Church and the choices said to be booming as millions printing room operators than before it: whether to continue of commuters try to fill a void they need. When a deadline for

New Israeli settlements

BY DAYID LENNON

TEL AVIV, August 13.

TALKS WILL resume to-morrow World have stepped up their

on Pope Paul's middle road, or in their daily reading while agreement passed without a to adopt a more progressive or suburban newspapers and more settlement, new manning levels to adopt a more progressive or suburban newspapers and more settlement. esoteric publications like the were unilaterally fixed and the Informal consultations between Rev. Sun Myung Moon's News pressmen reacted by striking

of border raid

The Vietnam News Agency

(VNA) monitored here, said of high taxes and protectionist Vietnam had protested to China measures adopted there.

want to make it very clear," be said. " that there was no pressure on the part of the Brazilian Government." He said the South African France France market was abandoned because

WORLD TRADE NEWS

Rotterdam's key role threatened

LNG DISTRIBUTION

BY CHARLES BATCHELOR

terminal but the new harhour of Eemshaven in porth-east Holland

serious alternative. Siting the terminal Rotterdam would allow

BY JOHN HOFFMANN

ducts. Australian diplomatic officials in Peking stressed that

would go no further. VW's Brazilian unit had sales of UK the

be Brazilian Government had

forced Volkswagen do Brasil to

halt its sales to South Africa.

A MAJOR Chinese iron and steel Australian ore producers and increase its annual steel output buying mission has left Peking trade officials are confident that from about 25m tonnes to 69m

VW outlines Brazil investment

World Economic Indicators

TRADE STATISTICS

June '78 2.926 3.032

-0.218

11.754 13.992

29.519

April 78 3.824 3.813

+0.011

7,704

5.430 +2.274

107.936

-14.501

-0.106

12.126 13.723

25.680 21.700 +3*9*00

28.925

28,466

-0.299

9.137

9.554

-0.417

7,520

March 78 · Feb. 78

4.270 +1.350

124,771

ducts. Australian diplomatic officials in Peking stressed that the group was a buying mission. Chinese Minmetals group will since Mr. Lynch's visit, although concerned with negotiating and concluding contracts for Australian ore.

China's consumption of trade officials have shown Chinese substantially since last year, arrangements which would there years ago but these are when sales totalled about 3m ensure supplies of ore over the tonnes. In 1978 Australia will deliver more than 5m tonnes.

It is not known whether the interest in Australian copper—an interest in Interest in Australian copper—an interest in Interest in

2.812

11.635

+3.300

29,426

March 72

3,702

9.473

-0.135

8.632

5.501 +3.131

jan. '7\$

112,895 122,996

-0.200

24.383

-0.453

March '77

truck order

Zealand 28 city buses for £375.00 and Malaysia 65 trucks for £1m.

dne to the world shipping slum Reuter reports from Hong Koni A sale contract for a 14,800 deadweight-ton freighter and tw 22,000-ton bulk carriers is likely to be signed shortly with Ocean MONE None-baset. June 77 Chinese shipping concern
2.775 Industry sources said the tota cost will be about \$25m for the three ships.

Saudi gas turbines

and two additional units to ordered the power station's capacity up to a future 700 Mw ordered to a future 700 Mw ordered

Japan and China: an inscrutable alliance of historical proportions THE GROWING relationship have a complex understanding violate those principles to main-for everyone in the Orient up to cular third country. After long the treaty are unclear, however, contacts with Taiwan, for but somehow it is more tolerable to China's semiplications of China and example. After the disasters of the World War, Japan with China in 1972 produced real as various contingencies. After the disasters of the World War, Japan with China in 1972 produced real as various example. Normalisation of relations which ended last the implications of China and example. Normalisation of relations which ended last the implications of China and example. Normalisation of relations which ended last the implications of China and example. Normalisation of relations which ended last the implications of China and example. Normalisation of relations which ended last the implications of China and example. Normalisation of relations which ended last the implications of China and example. Normalisation of relations which ended last the implications of China and example. Normalisation of relations which ended last the implications of China and example. Normalisation of relations which ended last the implications of China and example. Normalisation of relations which ended last the implications of China and example. Normalisation of relations which the disasters of the World War, Japan's rapidly growing A recent survey lists 17 The most interesting and between the desired to keep as low an interstational profile as possible. That except for a minority who felt the disasters of the medical profile as possible. The possibilities of China's sensibilities of China's sensib

half have obscured—that the approach to contracts. New 210 Japan seeks friendship and of communist that the situation differed from trade with both Communist a clause stating that both reducible qual to that trace was signed, and regardless of what was written, the conformal trace was signed, and regardless of what was written, the conformal trace was signed, and regardless of what was written, the conformal trace with both Communist a clause stating that both superpowers, both of which countries oppose the "hegemony" of any outside power. Under trace would not be fulfilled energy and other raw materials that an "anti-begemony clause" would be a direct affront to Chinese are often brief and because there was insufficient which Japan needs

economic growth.

For the West, the relationship idemands a difficult adjustment. Japan-China negotiations ignore the same time.

Western rules of contracts and morality. They force the West to Ilearn what the last century-and-alphant half have obscured—that the approach to contracts. They alphant the situation differed from Japan seeks friendship and that the situation differed from Japan seeks friendship and

Western framework.

Japanese technology and cut their contracted purchases of crisis that as an economic super-certainly transform China and current recession, the Chinese low as it was when it was a Peking's markets and raw were just as furious as the Aus-semi-developed country. Thus it materials will in turn give materials will in turn give received the contracted purchases of crisis that as an economic super-trainly transform China and current recession, the Chinese low as it was when it was a normalise Peking's ties while making step toward closer fies.

RV ROSERT WOOD IN TOKYO

Chinese "Government of the treaty was the product of a domestic mood in its favour. It was a normalise Peking's ties while making step toward closer fies. The contracted purchases of crisis that as an economic super-trainly transform China and current recession, the Chinese low as it was when it was a normalise Peking's ties while the U.S. was bogged down with the treaty was the product of a domestic mood in its favour. It was a normalise Peking's ties while the U.S. was bogged down with the treaty was the product of a domestic mood in its favour. It was a normalise Peking's ties while the U.S. was bogged down with the Taiwan Issue can be said to the entire part is typically be her first major independent vague, and it is impossible to foreign policy decision since the gauge precisely what it will

gauge precisely what it will ultimately mean.

ence on Japan towards countries such as Britain. West Germany, France and the U.S. Agreements between the factors which Japan seeds with the products and one are unamaphy and the products and Mr. Dell, who had meetings with the Chinese Vice-Premier

with the UK on trade.

urce put it, will be based not

so much on Chinese regard for

Britain, but rather on the internal political pressures on

the Peking leadership to produce results in terms of

material progress and on China's desire to diversify

away from its trade depend-

The indications are that this

type of borrowing will be sub-stantial. Even during the ascendency of the "Gang of Four," Chinese experts stationed in Japan were reported to be studying the mechanisms of the Japanese economy—mechanisms which the West has so far failed to understand or appreciate.

Already, without deliberate imitation, there are at least superficial similarities between the Chinese and the Japanese economies. China has industrial communes: Japan has industrial companies with "lifetime" employment and almost complete.

foreign policy decision since the Second World War. The normalisation agreement declared that the two countries would later sign a peace and friendship treaty, but talks bogged down when the Chinese Japan seeks friendship and demanded that the treaty include

hetween the two countries would probably have been deep and friendly.

eaten EEC vehicle imports harm UK producers'

BY TERRY DODSWORTH, MOTOR INDUSTRY CORRESPONDEN

Esm Campaign seeks official

roducers yesterday launched a not define the street hree-month campaign to get interests in the latter ctive Government support for As the producers and complished with the control of th

he role and difficulties of the duopolies?" (By "

ilm Authority with the provi-up would British and slon of 230m equity capital. a healthy competitive But central to the Association which to operate.

if independent Producers argue. They suggest a Bi nent is that the resorm pro-in which the Goy loss's gave no idea, of what ports indigenous if solicies the new film body should British themes.

truck aid for British films

NEW survey of the British export figures has been the near of exports, having been less than totor industry concludes that halving of sales to Europe. This 2 third two years 200."

K vehicle manufacturars have is particularly disappointing as. This deterioration, it argues, iffered heavily from EEC between 1971 and 1976, total is because of the increasing apports in their home market registrations in Europe ferched stock of foreign vehicles on uring the past few years with ing the UK) rose by 33.5 per British roads (more than 24 per cent of the control of th

apanese imports ever the same in vehicle components at the components are to imports. Some invehicle components are to imports to imports.

eriod rose from 9 per cent to "Over this period the table of The report adds that the 1 per cent, while imports from [components] imports his risen present expansion of the UK ill other countries increased by 52 per cent while that of commercial vehicle market will rom 3.5 to 4.5 per cent."

exports has risen by only 6 per slow, with registrations only By contrast, the report says, cent. In value terms, imports about 1 per cent up next year, the most slarming aspect of the are approximately halfathe value imports will continue to climb.

it gaining any comparable cent."

Cent of all cars), the growth of enefit from expert sales to the Over the five years the UK imports by multi-national car ommunity.

Cent of all cars), the growth of the producers for UK assembly, and ommunity manufacturers there of the producers for UK assembly, and The report published by from 5.0 to 2.3 per cent and was that has led to reduced demand on stockbroking firm, shows three had succeeded in holding. The report goes on to predict imports has been almost car market production would be fall significantly in 1979 after a research of the configurating in the present. These increased their share that the trend in favors of their specified income and corporate the UK market from 18 per areas of the EC.

These increased their share that the trend in favors of their possible income and corporate the UK market from 18 per areas of the EC has son prospected decline in personal discrete the start of 1975 to 34 duced a marked deterionstion in fall sharply as British manufacer cent by the end of 1977. British's importexpute instance turers lose further market share apanese imports ever the same in which components to imports.

Factory design praised

roducers yesterday faunched a roducers yesterday faunched a report for As the producers rotus Government appoint for As the producers rotus adjusted yesterday. Is ndigenous film-making on report published yesterday. Is the BFA to be a report for it is the become the roducers of the become the rotus of the A FACTORY in Bath used for the manufacture and assembly of open-plan office furniture, was described today as one of three british film industry. Two association refers a head and eports have been published in EMI, which between them which the Government was asked dominate the industry. outstanding contemporary build. Bardell, set ings in this country which are association. which the Government was asked dominate one includes that p take a substantial role in the The association has that ndustry by establishing a British only if these chains would be taken and the problem and of the 1970s.

The Herman Miller factory was The Herman Miller Jacony was singled out—also the Sainsbury there was underinsurance by the centre for the visual arts at the University of East Anglia and the National Theatre in Loudon by Mr. Gordon Graham, president of the Royal Institute of mappropriate for the association under the sum insurance of the Royal Institute of mappropriate for the association under the sum insurance of the Royal Institute of mappropriate for the association under the contents of the contents of the contents of the results of the contents of the results of the contents o British Architects, in announc-ing the institute's architectural wards for this year.

imacinative to deserve public

The National Theatre, designed party the mentally ceived awards were Chloride hat only 38 per cent Technical, Swinten, Lancashire; connells are letting Berry Hill nursery, Mansfield; Councits are letting Berry Hill nursery, Mansfield; Leto health or social Keble College new buildings, jodies for use as hostels Oxford; Aucillary buildings, p bomes for mental British Steel Corporation; (Imperial Works, Airdrie

Insurers urged to study claims procedures

the authorities.
Operators

schemes are awaiting a general

If there was a large Conserva-

nolicy following

THE British Insurance Associa • Tu reconsider carefully the tion is asking member companies public relations implications

policies

The scheme attracted 325 entries. Seven buildings received companies would wish to con
Profession of the the project made would be association, felt that insurance 1500—sac half.

rtain circumstance to the wording of the proposal form and policy document.

relations implications to review procedures for settling and to have regard to the "State claims on householder insurance ment of insurance Practice," the policies.

ه یکوامن المجل

Tax avoidance

quest continues

ARTIFICIAL SCHEMES to elimi-rules to the problem of avoid

in spite of the passing of retro. These lay down that Tory

spective legislation in the 1978 legislation against any avoidance Finance Act which outlawed one scheme shall date from the day particular avoidance scheme a warning is formally announced

modity Carry scheme was inten- In essence, this approach

ded to deter taxpayers from spelt out by Mr. Peter Rees of using such schemes.

Avoidance specialists say that identical to that which has there is still considerable evolves over the last decade.

retrospective precedent set in avoidance and the losses were

used in the Act.

One person reported to have
The Tories have said that a used the scheme is Mr. George
future Conservative administra- Harrison. a member of the
tion would apply the "Rees former Beatles pop group.

nate tax are still being promoted ance.

Legislation banning the Com- in Parliament.

interest in using artificial The Labour schemes. The impetus is away abandoned this from the big "off-the-peg" because the time is

The request is made in a The essociation told members letter to members by Mr. Roger that Mr. Peet had asked the Bardell, secretary general of the Household Insurance Panel, under the chairmanship of Mr. association.

He referred to recent criticism Pat Baitrum, to undertake a of the companies practice of study atto the implications of scaling down the amount paid introducing an average clause under household claims, where into household policies.

to reply publicly to these com- when the value of the contents

awards and 23 won, commendations—the highest number in light of this criticism and in duce a system of index-linking auticipation of inquiries from sumi highest under householder interested bodies, such as the unsuranter policies, to overcome variety of building type. Only one award could be made in each of 13 regions in the UK, the building enosein being considered to a Torongous that the commendation of inquiries from sumi highest under householder interested bodies, such as the unsuranter policies, to overcome problems arising from under-ing chosen being considered to a Torongous that the commendation in the UK, the building type of the companies would wish to companies would wish to companies and considered to sider the matter carefully in the nounced that it intends to introduce a system of index-linking auticipation of inquiries from sumi highest under householder insurance. This is not expected to start before the middle of

that it was supported by up-to-company that he does not wish date legal advice, having regard; this to be done. In such cases, an underinsurance class be added to the policy.

Dock workers told to suspend action

BY NICK GARNETT, LABOUR STAFF

dockyards.

Meetings at most of the yards, including the Polaris submarine bases on the Clyde, where sanctions have affected work on the submarines and the vessels

offer made on Friday.

The offer, which affects allowance 183,000 industrial civil servants per centinvolves a peace formula agreed.

Some P

clear that union necotiators based on a special efficiency believe the deal is the best they scheme. in talks with Ministers and that the negotia- settlement will take into account tions have come to an end. It comparable pay and conditions gives the dockyard workers until outside the Civil Service, and August 25 to respond, there will be negotiations National union officials said altering the settlement date.

DOCKYARD WORKERS, whose yesterday that first indications sanctions in support of a pay were that shop stewards might as in support of a pay were that shop stewards migh have disrupted naval agree to the new pay formula claim have disrupted naval agree to the new pay formula, bases, will be advised today to Pickets around the Fasiane suspend industrial action while Polaris submarine base on the they consider a new wage offer. Clyde were withdrawn late on A circular from Mr. Mick Friday as an act of good faith Martin, the Transport and pending a meeting there today.

General Workers Union public Mr. Les Chaplen, Amalgamated services national secretary. Union of Engineering Workers advising the workers to lift same convenor at the Posters Workers tions, has been saw to all tions, has been sent to all naval yard, said last night that some workers at least were now pre-

The formula involves consolidation of the £6 Phase One movements, are due to take Two allowance into basic rates, place today to consider the new together with an additional 2 per cent. Craft and supervisory allowances will be boosted by 50

hy Ministers and trade union corrected, and 30,000 low-paid leaders.

The union circular makes it £1 and £1.56 productivity bonus.

Talks on next year's wage there will be negotiations on

Heseltine attacks union leadership

BY NICK GARNETT, LABOUR STAFF

MR MICHAEL HESELTINE Opposition . spoke-man environment, yesterday entered free-enterprise system. the growing political squabble leaders Party officials and the TUC but their own are ever heard." shen he mounted another Tory Mr. David Basoett, chairman assault on the trade union of the TUC and leader of the leadership.

General and Municipal Workers'

own that they seek to limit the genuine democratic choice of the

mined to use their economic strength for the political purpose to Mr. Heseltine: "To attack of imposing socialism on a non-trade union leaders is to attach

TINE Instead of setting up their on operations to benefit from the ng political squabble leaders prefer tight little senior Conservative socialist huddles where no ideas

"Our attack is not on trade Union at the weekend advised union," said Mr. Heseltine. "It Mr. William Whitelaw, the is on leaders so intolerant of deputy Conservative leader, to other political views than their do some homework on union

Last night Mr. Basnett replied

NEWS ANALYSIS—HYPERMARKETS

Time to check out what's in store

BY DAVID CHURCHILL, CONSUMER AFFAIRS CORRESPONDENT

of allowing hypermarkets into authorities and develop super-£40,000 per appeal—and London is being carried out stores on inner city sites. The drain on executives time. by the Greater London Coun-other hypermarket groups due to be completed in the next traditional hypermarket concept two months before going to the of green new accessible F. W. Woolworth had planned to the planning employment, and mainly to shoppers with cars. build a Woolco superstore there two months before going to the of "green field" developments traffic consequences of hyper-

capital.

The GLC's move has been prompted by the fact that the major supermarket multiple must be aimed at regenerating comprising another 14.500 sq ft. because the time lag between the from the big "off-the-peg" because the time lag between the devices towards schemes of a marketing and discovery of the more limited application, less schemes, which were usually likely to arouse the concern of upheld by the courts, allowed have amounts of tax to be groups are now on the verge of breaking into the potentially ucrative London market activity even further. The Government claimed that Already Tesco bas reached the election result before deciding the Exchequer lost about £200m

nearest to London with its newly-opened superstore— last week in a major review of believed to be the biggest so far hypermarket planning appeals by parking for up to 3,000 cars by hypermarket planning appeals either on site or nearby.

Although Tesco is reluctant to the provided of th in Essex, some 30 miles from the capital.

In October, Tesco plans to open

tive majority, the bigger that 390-300 people used the schemes might come back into Commodity Carry scheme to favour, because the Tories avoid hix on income totalling up opposed the full retrospection to £15ph a 36,000 sq ft superstore—it prefers the terms to hypermarket prefers the terms to hypermarket hypermarket planning applications in finchley on the northern tions in green field sites, Mr. Tesco firmly believes that superstores will be part of the forseethern to the forseethern the final go-ahead, Tesco will be part of the superstores will be part of the superstores.

> property.
> Tesco is not alone in seeking to extend the hypermarket form of retailing pioneered mainly in the north of England—into London. Asda, the Co-operative groups, J. Sainsbury, and Carrefour are all actively seeking sites in Loudon. But Tesco appears to have the edge at the moment for two reasons.

Basildon store which it hopes will act as a showpiece for future developments in London. East London is marginally within its catchment area and Tesco hopes that word of mouth will spread its retailing message and help overcome local objections to the giant stores.

A MAJOR study of the effects willingness to work with local because of their cost-abou which is appear less willing to forgo the

published by chartered surveyors

Although Tesco is rejuctant to
Donaldsons. This showed that
while Government plauning since it started just three weeks ing a more lenient attitude to hypermarket planning applica-tions in "green field" sites, Mr.

the final go-shead. Tesco will His policy was formalised in it also sees a future for the small build a massive 100,000 sq ft Departmental guidelines pubshopkeeper and traditional High superstore in Neasden, behind lished late last year which made Street retailer.

Wembley Stadium in north clear that "green Beld" develop— The document, called "Retail London, on dereshet British Rail ment on the edge of towns would Planning for Tomorrow's World," sites were not feasible.

Tesco was fortunate with fu

new superstore at Basildon in that it was a site approved by the local council. Originally onsequences of hyper. Mr. Peter Shore, Environment but when it decided against this development in the Secretary, has, however, adopted Tesco stepped in

persing Jobs and commercial petrol station and tyre bay. It activity even further. employs about 600 people, cost

ago, estimates put weekly turn-over at up to film when the store reaches its peak:

only be allowed if inner area says that the decline in the num-sites were not feasible. ber of small shops is coming to Most of the hypermarket an end. "Small units celering groups were disappointed by for the everyday, convenience these guidelines as they failed needs of the neighbouring comin their opinion to give specific munity." must, says Tesec guidance on the criteria for "remain a staple of the industry. hypermarket development. Tesco. But Tesco also believes it however, made clear that it was likely that "Britain's High

willing to build wherever local Streets will, in future, conc or two reasons.

authorities wanted, subject to the trate increasingly on specialised
One is the existence of its new site being commercially viable.

durable items." This is already Mr. lan MacLaurin, managing occurring, says Tesco, with the director of Tesco Stores, yester-proliferation of boutiques, travel day reaffirmed the company's agencies, do-it-yourself shops, willingness to work closely with and record and sports wear local authorities within the De-shops.

opes that word of mouth will partment's guidelines. In addipread its retailing message and tion, Mr. MacLaurin said that ment of the small shop and High
elp overcome local objections Tesco would not make any more Street retail trade will complethe giant stores.

But more important is Tesco's field superstore development the new superstores.

Eisteddfod seeks cash aid from EEC

EEC FINANCIAL backing is cultural festival. An Eisteddiod delegation

plans to visit Brussels in antumn to seek an annual grant of \$200,000 towards the festival, costs of which have sourced in recent years. The staging of this year's Eisteddfod in Cardiff, which ended last night, is expected to have cost £520,000, more than double the expenditure four years ago. While the organisers expec

to break even this year-Government grant of £275,000 new income to guarantee the festival's future. The Eisteddiod plans to seek greater sponsorship business and industry. greater Backing for the approach to the European Commission has been given by Dr. David Owen, Foreign Secretary.

A.I.B.D

The Association of **International Bond Dealers** prices and yields at July 31 will now be published in the Financial Times on Tuesday August 15 1978

system for use in some talephone sessarch has been directly out kinsks.

The cards, fermed "sard phone service was telephone service was the improved. Cardphone that it in a number of location state the post office and shops.

The card would be inserted from the card would be inserted to not see them seplacity. The card would be inserted to not see them seplace the notice of the normal way it would deduct telephone in the cost of calls from the value cost of calls from the call calls from the call cost o

THE POST OFFICE is consider. The Post Office is he ing introducing a credit-card the proposal. No system for use in some telephone research has been on trickly

Councils rapped over mentally ill

mentally handicapped people,

Call box credit card pan

COUNCIS TAPPED OVER MENTALLY III by Sir Denys Lasdun; was comLOCAL AUTHORITIES are still. Its surger of local authority. Remaining buildings which rehousing for mentally ill and ill found propertie

Mind, the National Association service for Mental Health, says in a or gr report published today.

otice of Redemption Avco Financial Services Canada Limited

NOTICE IS HEREBY GIVEN bet, per September 1, 1976 under which the above des drawn by lot, for reducation an September. which the above described Notes were issued, Stilbank, N.A., as Trustee, has tion on September 15, 1978, through the operation of the sinking fund prove, \$1,600,000 principal amount of Notes of the said issue of the following

The Notes specified above are to be redecined for the said small street, in the Serveragh of the Trustee, Ill Wall Street, in the Serveragh of Manha The City of New York, State of New York, the main office of the City of New York, State of New York, the main office of the Self of the office of Krede S.A. Lucembourgasise in Luxembourg, and the main office of Swiss Ball Corporation in Basel, Company's priving agents, and will become due and payable on September 15, 1978, at the redemprise of 100 percent of the principal amount thereof plus accrued in Self of the said principal at to such date. On and after such date, interest on the said Notes will change to said principal at to such date. The said Notes should be presented and surrendered at the office feel forth in the presented and surrendered at the office feel forth in the presented and the said Notes will be sufficient to the presented and surrendered at the office feel forth in the presented on the said date with all interest coupons maturing subscients to the redemption

August 14, 1978

paragraph on the said data with all interest coupons maturing subsequent to the redemption date.

Coupons maturing on September 15, 1978 should be detached and President for payment in the usual

FANCO FINANCIAL SERVEES CANADA LIMITED

by Citibank, N.A.,

thurley

DIRECT GAS-FIRED

SPACE HEATING

SILCON on apphire (SOS) is on apphire complementary MOS provided to production of a strate of refundate appealing and performance by higher packing and better operating speeds of subcomponents.

To date, only Hewlett-Packard appears in the components and the crash to make the determinant of the process of the components and the cash to push the result of the process of the components of the components of the components of the components of the process of the components of the

CONTRACTS AND TENDERS

NIGERIAN PORTS AUTHORITY

Tender for Hydrographic

Surveys in Nigeria!

the Survey of Nigerian Ports, their Approaches Channels, and Estuaries as

area together with existing charts of the area and the Port limits and necessary

Nigerian Ports Authority,

26/28 Marina (3rd Floor),

administered by the Nigerian Ports Authority.

Lagos.

than 12.00 noon on the 30th September, 1978.

correspondence with unsuccessful Tenderers.

on payment of a non-refundable deposit of N240.00.

specifications are obtainable from:

the equivalent of N240.00.

Tenders are invited from reputable Hydrographic Survey companies for

2. Full details of all the survey areas and frequencies of surveys for each

3. All payments should be made to N.P.A. Finance Department, 26/28

4. Completed Tender Documents in sealed envelopes marked "Confidential

6. This Tender may be cancelled or withdrawn or altered without any

Marina (3rd Floor), Lagos, and receipts obtained presented before Tender

specifications and Charts are released to Tenderers. Tender forms and charts

are also obtainable from the Nigerian Ports Authority's Representative, Mansfield

House, 3rd Floor, Room 34-37, 376-379 Strand, London, W.C.2, after payment of

-Tender for Hydrographic Surveys in Nigeria" should be returned to the

Secretary, Nigerian Ports Authority, 26/28 Marina, Lagos, to reach him not later

reason given for so doing. Responsibility will not be accepted for any loss or

losses incurred by Tenderers in preparing or submitting their Tenders. The

Authority is not bound to accept the lowest bidder and will not enter into

5. The duration of the contract will be for one year.

The Principal Hydrographic Surveyor,

Applications programming

Applications programming

An interventional damper, listed to the gas valve, to control the beautiful to the gas valve, to control the primary air supply and the primary air supply and the primary air supply as a valued to the primary air supply and the primary air supply as a valued to the primary air supply and the primary air supply as a valued to the primary air supply and the primary air supply as a valued to the primary air supply and the primary air supply as a valued to the primary air supply and the primary air supply as a valued to the primary air supply and the primary ai

• PROCESSING

Blows dents out of drums

NEW IN the range of drum manually on a turntable within gas or fire renovation equipment produced the chamber and is contained by Caldwell Burner Develop a hydraulically-operated top DETECTION alarm and

THE next conference and exhibition, the Business Equipexhibition of the International ment Trade Association (BETA)
Frocessing "IFFP 72" is to be Europe's major specialised data
Frocessing exhibition of 1273, trying to make it
Europe's major specialised data
Frocessing exhibition of 1273, trying to match loade equivalent
from September 25 to 25

Centre on September 25 to 25

Most hardware and software
on the practical and economic applications, space-only" charge will be covered.

A to 20 to 40 or error output. This
and a "call for papers" leaflet per solure metre
is available from the BCS, 13 ManeComputer Society, the UK IFIP field Street. London WIN 0BM
Computer Society, the UK IFIP field Street. London WIN 0BM
Corganisers of the related

Organisers of the related to the company, which maintains
that sufficient data is now availtory brick-lined combustion
chamber, with glass wool, alutory brick-lined combustion
of commercial to be exposed from
minima folt and air 220 measure
of the surface on the chamber, with glass wool, aluminima folt and air 220 measure
on between combustion
of 20 to 40 or error output. This
spects of computer applications, space-only" charge will be covered.

A is required the well-well of the company will be association (BETA)

The 938 tester con detect leass based or
mailer than 1 millionth of a Varian Ransell House. Molestory analysis wool aluminima folt and air 220 measure
of a material to be exposed from
minima folt and air 220 measure
of material to be exposed from
minima folt and air 220 measure
of a material to be exposed from
minima folt and air 220 measure
of a material to the exposed from
minima folt and air 220 measure
of a material to the exposed from
minima folt and air 220 measure
of a material to the exposed from
minima folt and air 220 measure
of a material to the exposed from
minima folt and air 220 measure
as pasted will a

Warns of

a AGRICULTURE

Clearing the field

WHAT IS claimed to be an variable and depends on pressure effective low cost device to fight put on the trigger release. Fuel

microprocessor-based digital thermometers is a unit for the calibration of both analogue and digital thermometers in laboratory and on-site applications.

Model Y2003 calibrator is use the continuation with the face.

and several years work, included the thing and the directorate has a placed at several years work included the production of contract with GEC for contract with GEC for the part of the products with place and the directorate has placed as contract with GEC for the products with place and the directorate has placed as contract with GEC for the products with place and the directorate has placed as contract with GEC for the production products with place and the directorate has placed as contract with GEC for the production products with place and the directorate has placed as contract with GEC for the production processing with the production process of the production produced of the production process of the production process of the production produced o

the hands

0902 42541/2/3 Telex 336414

Telex 336414 0902 42541/2/3 Telex 336414

Telex 335414

0902 42541/2/3

Telex 336414 0902 42541/2/3 Telex 336414 0902 42541/2/3

0902 42541/2/3 Telex 336414

0982 42541/2/3

0962 42541/2/3 Telex 336414

Telex 336414

01-928 3131

Telex 261771 01-928 3131

Telex 261771 01-928 3131

Telex 261771

01-928 3131

Telex 261771 01-928 3131

Telex 261771

01-928 3131 Telex 261771 01-928 3131

Telex 261771 01-928 3131

Telex 261771

Telex 261771 01.928 3131

Telex 26177

01-928 3131

Telex 336414

Telex 336414

STORNO has expanded in Camberley. Surrey, manufactor ing facilities for radio com munications equipment by in stalling a new department automatically to test digital assemblies for their correct faults at component level.

test beds and visual display units, Bulk of the automatic testing. currently being undertaken at Camberley is associated with the manufacture of 900 TESMO/ the manufacture of 900 TERMO/
5015 data terminal units. They
are part of Stormo's contract as
are p drier which is edulpped with a buses cerrying some 216m proximity switch to start the unit passengers each year.

when the hands are brought Dublin AVM is based on salida a dual computer arrangement which automatically collects Sultable for office, factory and which institutional premises, the unit location data from each hus enshould be of particular interest a route. The results are prevample in hospitals, food plants and restaurants.

Known as the HTE, the device actual, and scheduled position has a 1600 watt heater and a of all buses on a particular route. The system is due to he proximity switch. A built-in in full operation by the middle timer switches the unit off after of next year and will provide a few seconds of use. Measure—greatly improved services. institutional premises, the unit location data from each hus on

a few seconds of use. Measure- greatly improved services, meuts are 247 by 240 by 200 mm. Storno, Frimley Road, Camberand the case is made of poly-ley, Surrey GUI6 5ES, 0276 carbonste.

The office boy's grandmother is alive and well

(Thanks to PLANTIME)

In the days of office boys, their grandmothers traditionally had funerals on the afternoons when the local football teams were playing at home. If only their firms had been able to use Plantime flexible

working hours systems, the boys could have been free to go. They could have made up their time on other working days. And they would have done their jobs that much better because of it? Today everybody can benefit from Plantime - the employees,

the administration and personnel staff, and the employers. A Plantime system gives employees freedom to come and go within agreed limits to suit both work in progress and their private lives. No one need ever be late! Everyone has a personal plastic key which instantly records hours in the system when used; and the total is known only to the individual and the management.

All hours worked are monitored and the arithmetic is all done on the print-out. This does away with a lot of tedium - and cuts the cost of administration.

Most important, a Plantime system improves staff relations and increases efficiency, Hundreds of organisations in the public and private sectors of industry and commerce have proved it. You can prove it during a trial period in your company. Send off the

coupon for information now.



To: A.R.C. (Europa) Limited, Shakespeare Industrial Estate, Westord: Herts WD2 5HD. Telephone: (0923) 44300 Please give me full information about your Plantime system.

Or please attach letterheading with this coupon. FLEXIBLE HOURS the key to a more agreeable life

Ag. Secretary to the Authority N.P.A. NOTICE No. 3130. DATED 25th JULY, 1978.

Description	! Telepi
100 TON CAPACITY COINING PRESS by	1 /
Taylor and Challen—virtually unused—fully	0902 42541
automatic—160 s.p.m. x 24 mm stroke.	Telex 33
IN LINE MACHINE for simultaneous surface	1
milling both sides of continuous and semi-	090Z 42541.
continuous cast non-ferrous strip up to 16" wide.	Telex 33
9 DIE, 1750 FT/MIN SILP TYPE ROD	
DRAWING MACHINE equipped with 3 speed	!
200 hp grive, 20" horizontal draw blocks.	l
22" vertical collecting block and 1000 lb	40m 43E41
spooler. (Max. inlet 9 mm finishing down · 🦸	0902 42541, Telex 330
to 1.6 mm copper and aluminium.)	1 61cy 330
8 BLOCK (400 mm) IN LINE, NONSLIP WIRE	1
DRAWING MACHINE in excellent condition	0902 42541
0/2000fr/min. variable speed 10 hp per block	Telex 33
(1968) 24" DIAMETER HORIZONTAL BUILL BLOCK	0902 42541
By Farmer Norton (1972).	Telex 33
SLITTING LINE 500 mm × 3 mm × 3 ton dipacity.	1 4,4
TWO VARIABLE SPEED FOUR HIGH ROLLING	
MILLS Ex. 6.50" wide razor blade strip!	0902 42541,
production.	Telex 336
MODERN USED ROLLING MILLS, wire rod and	
tube drawing plant roll forming machines	
slitting - flattening and cut-to-length lines -	0902 42541
cold saws — presses — guillotines, etc.	Telex 336
1974 FULLY AUTOMATED COLD SAW	0902 42541/
to be recorded to the transfer of the contract	Tulan 374

by Noble & Lund with batch control.

1970 CUT-TO-LENGTH LINE max. capacity 1000 mm 2 mm x 7 tonne coil fully overhauled and in excellent condition.

1965 TREBLE DRAFT GRAVITY WIRE DRAWING MACHINE by Farmer Norton 27"—29"—31" 0902 42541/2/3

diameter drawblocks. STRIP FLATTEN AND CUT-TO-LENGTH LINE by A. R. M. Max capacity 750 mm x 3 mm.
6 BLOCK WIRE DRAWING MACHINE equipy with 22" dia. x 25 hp Drawblocks. 2 15 DIE MS4 WIRE DRAWING MACHINES

5.000fr/Min with spoolers by Marshal Richards
3 CWT MASSEY FORGING HAMMER - oneumatic single blow.

9 ROLL FLATTENING MACHINE 7 ROLL FLATTENING MACHINE

COLES MOBILE YARD CRANE 6-ton capacity lattice jib.
RWF TWO STAND WIRE PLATTENING AND

STRIP ROLLING LINE 16" x 8" rolls x 75 hp per roll stand. Complete with edging rolls. turks head flaking and fixed recoiler, air guaging etc. Variable line speed 0/750 ft/min. and 0/1500 ft/min. NARROW STRIP STRAIGHTENING AND CUT-TO-LENGTH MACHINE (1973) by

Thompson and Munroe SCHULER 200 TON HIGH SPEED BLANKING PRESS. Bed 48" x 40" 200 spn. Double roll feed stroke 35 mm. excellent condition TAYLOR & CHALLEN No. 6 DOUBLE ACTION DEEP DRAWING PRESS. Condition as new. VICKERS 200 TON POWER PRESS. Bed 40" x

36". Stroke 8". NEW COND MACHINING CENTRE. Capacity 5ft x 4ft x 3ft. 5 Axes continuous path 51 automatic tool changes. 5 tons main cable load. Main motor 27 hp. Had less than one year's use and in of new price.
WICKMAN 21 6SP AUTOMATICS 1961 and 1963

EXCELLENT CONDITION.
4,000 TON HYDRAULIC PRESS. Upstroke between columns 92" x 52" daylight 51". ANKERWERK 400 TON INJECTION MOULDER.

Reconditioned.
UPSET FORGING MACHINE 4" 750 tons upset pressure.
200 TON PRESS. Double action bed area 2,000 TON PRESS. Double action bed area WICKMAN 14" Automatics 6 Spindle

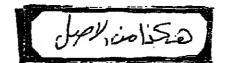
WANTED

MODERN USED ROLLING MILLS, wire rad and tube drawing plant-roll forming machines -slitting-flattening and cut-to-length lines-

0902 42541/2/3

(J. E. Kalu),

......Telephone No ...



he Executive's and Office World

EDITED BY CHRISTOPHER LORENZ

be widely replicated.

rather different

in the traditions of the Webbs,

or of Ghandi or of Mr. Glad-

the social (that is group mem-

TO CALL men to repentance enduring preoccupation with ive them the upportunity of Bader has always couper howing their repentance and his enduring preoccupation with This is my successful business. Thus F. D. Maurice, one of Englishman of Swiss farming parents, started on the road to business success. is aims in promoting the business success when he set up as a merchant and trader in chemicals in 1923. The business success when he set up as a merchant and trader in chemicals in 1923. The business was called Scott Bader, his wife mad what we would refer to the state of the s owadays as Workers' Co-ops.

Religion

ew book, there have been the UK

instance of the early 1950s, which lised."

Monday prayer meet- they have no incivious shares same, at the very least, the of declares of the lesson repeated for a trenched powers, ader in the early 1950s, which lised."

Monday prayer meet- they have no incivious shares same, at the very least, the of declares of the lesson repeated for a trenched powers, and in the early 1950s, which lised."

Monday prayer meet- they have no incivious shares same, at the very least, the of declares of the lesson repeated for a trenched powers, and in the early 1950s, which lised."

Monday prayer meet- they have no incivious shares same, at the very least, the of declares of the lesson repeated for a trenched powers, and the lesson repeated for a trenched powers.

A subject of the lesson repeated for a trenched powers of the lesson repeated for a trenched powers.

A subject of the lesson repeated for a trenched powers.

A subject of the lesson repeated for a trenched powers.

A subject of the lesson repeated for a trenched powers.

A subject of the lesson repeated for a trenched powers.

1st . . . but then also . . . to the next world which Ernest

Twenty eight years later, Ernest Bader, who more or significant any he had built up to his orkings as workers Co-ops.

I wenty eight years later, after a move from London to Northamptonshire and a switch from trading to manufacturing orkings. orkforce, sees himself mainly chemicals, the Bader family orkforce, sees himself mainly chemicals, the Bader family orkforce, sees himself mainly chemicals, the Bader family ownership company licences immediately after the On the other hand there is

neasy about Maurice's attempt Commonwealth, and Scott Bader step in divesting itself of link religion with production, became the pioneering "com-ownership, Scott Bader was , Susannah Hoe tells us in her mon ownership" company in already starting to move up

The man who gave his company away to the workforce

from the small to the medium mose among the former The phrase "common owner- sized enterprise category. It mployees of the "man who ship" was chosen deliberately was then employing 151 people, ave his company away" who to reflect the fact that there are with a turnover of £625,000 and ave resented his attempts to no individually owned shares in net profits of £72,000. Twenty ix the world of work with the transformed Scott Bader, five years later, in 1976, the lead to disaster. Admittedly the te world of prayer: "People The Commonwealth's members corresponding numbers were lesson is not new. The experi- been criticised for this state of other.

tough in contrast to Bader's of the enterprise's shares to the differs from both the traditional war, and its own research and a sharp contrast, in the Scott access the enterprises spon. Scott Bader Commonwealth-a "workers' co-ops" which 20 development work, the company Bader experience, between the tred by Maurice and his friends charitable holding company in back to the last century, and has achieved a position of speed with which ownership was added uniformly in disaster, the direction of which those of from the highly successful group leadership in the UK market transferred by the Bader

BY ROBERT OAKESHOTT

ader in the early 1950s, which lised."

private capitalist standards medium sized manufacturing The criticism seems both just mainly smaller but not For by his action in pioneerrovoked that reaction, were In this respect, as in some Moreover, by a mixture of the enterprise is a matter of obvious and unjust. It is just in so far altogether unsuccessful imiting common ownership he has
list one expression of the others, the Scott Bader "com- far sighted purchase of U.S. consequence and value.

as the company's power structators, I am doubtful whether probably done more in this

able ext

iere are specific parallels in the company's workforce who of mainly industrial co-ops for unsaturated polyester resins, family and the relative control

ie outlook of the two men. chose to take up membership centred on the small steel mak—

Thus, whatever else is true, which it still relains. The com-



Ernest Bader—a pioneer in the field of common ownership in

of "supervisory" holding com- control on the one hand and has pioneered.

the need for efficient profesBut whether it is the Scott and the publisher are to be com-Scott Bader has frequently sional management on the Bader or the Mondragon model mended for giving us a far from

pluntary, Monday prayer meet- they have no individual shares same, at the very least, the of decades, All the same, to have Governor retains crucial en- Bader and his family. And future co-operators to Ernest

became entitled to participate, ing town of Mondragon in the it is clear that the controlled pany's constitutional arrange, high minded and top downwards. That is why I would imagine bered. But, as this book clearly Then, in 1961, the family sold Basque Province of Spain.

divestment by former private ments are neither simple nor paternalism which characterised that the arrangements of the shows, you can never reality divestment by former private ments are neither simple nor paternalism which characterised that the arrangements of the shows, you can never really Just as many of us will feel its original shareholding to the family took its first and major successful business need not founder's son, remains in 1978 pany in the first place. It is some other-which seek to actions.

Then, in 1861, the latting arrangements of the arrangements of the arrangements of the man from his the remaining 10 per cent of By 1953, when the Bader owners of the ownership of a static. But Godric Bader, the "giving away" of the com- Mondragon co-operatives—and separate the man from his its original shareholding to the family took its first and major successful business need not founder's son, remains in 1978 pany in the first place. It is some other-which seek to actions.

The first latting arrangements of the com- Mondragon co-operatives—and separate the man from his its original shareholding to the family took its first and major successful business need not founder's son, remains in 1978 pany in the first place. It is some other-which seek to actions.

The first latting arrangements of the com- Mondragon co-operatives—and separate the man from his its original shareholding to the family took its first and major successful business need not founder's son, remains in 1978 pany in the first place. It is some other-which seek to actions.

The first latting arrangements of the com- Mondragon co-operatives—and separate the man from his its original shareholding to the family took its first and major successful business need not founder's son, remains in 1978 pany in the first place. It is some other-which seek to actions. appoints, subject to democratic overlooks the real difficulty vidual and collective ownership ordinary man-or anyway just a majority of the which must face any democratic in a most sophisticated and an ordinary entrepreneur-the board of directors of the operat- enterprise or workers' co-op- judicious blend, are likely in the story of the company he founded ing company—behind which the the difficulty of reconciling the long run to prove a better het and later gave away would have Commonwealth stands as a kind need for ultimate workforce than those which Scott Bader been very different and far less

sed to say 'They're up there own the enterprise as a collecraying while we get on with tive. When they leave or retire of course, for most of that ship points in the same direct colonial shares quarter of a century chemicals tion and predates that of Scott colony of the transition to mon ownership' model which sector starts to develop over pany Away. A biography of the bluntary, Monday prayer meet they have no individual shares same at the next leave to the part leave to th though it has had various, Bader will remain considerable,

it ever could-or indeed should country than anyone else to encourage the search for new And not because it seems and more human enterprise improbable that successful structures. Moreover, because entrepreneurs are ever likely to he is an extraordinary man and come forward in large numbers because of the clement of to give their companies away to theatre in his family's "gift" of their workforces. The point is their company, his work has

Common inevitably attracted more attenownership may appeal to the tion than would otherwise have high minded—whether to those been the case.

stone. But it over-emphasises Complex

ber) needs of ordinary workers Susannah Hoe has rightly not at the expense of their indivi- attempted to write a commercial dual needs. It may be all very history of Scott Bader, And well for the saintly or the hair- though some will find her shirted. But it may be an in- excessively preoccupied with efficient motivator of ordinary Ernest Bader's complex perpeople, whose altruism needs to sonality and motivations. I be encouraged by a very paip- would not. No doubt in the able extra ingredient of self- long run it is for the results of his work that he will be remem-

-or another version which idealised picture of a quite

pany Away. A biography of Scott Bader Commonwealth by Susannah Hoe and with a foreword by the late E. F. Schumacher, Heinemann,

USINESSMEN do not always til the screen test, as was sugested in last Monday's article. Unlike Nicholas Faith, who orked on Thames TV's "Time rise" programme has found hour.

uly sensitive or shy. Even screen. then tackled about delicate or inbarrassing issues, they have

een generally helpful, One of the reasons may be Cynicism nat, in contrast with Time for jusiness. Enterprise has reently been transmitted at a times forget that other worlds. And yet there is no doubt. Sometimes powerful people needs an instant pundit, and so Villain

uthor of last week's article, the peak time, rather than being in television.

sam behind Anglia's. "Enter-relegated to the usual midnight. It is often the small arro-disaster") one critic wrote Businessmen get sore when a will put the word round. But, merely messengers, to provide a on the supermarket war, Victor

Programme makers some is blurred.

hour.

gances that offend: a young about the piece with such awe programme is interested only if he respects your approach, platform for other people's Matthews of Trafalgar House,

But there are other, more interviewer with little more to that it was as though we had in trouble at t'mill. For months, he may also be helpful in views. They should not hog estimating that he could say fundamental ways, in which offer than cockiness and a de-just secured the world's first perhaps a lifetime, they quietly prompting other members to microphones themselves.

gances that offend: a young about the piece with such awe programme is interested only if he respects your approach, platform for other people's Matthews of Trafalgar House,

but there are other, more interviewer with little more to that it was as though we had in trouble at t'mill. For months, he may also be helpful in views. They should not he estimating that he could say fundamental ways, in which offer than cockiness and a de-just secured the world's first perhaps a lifetime, they quietly prompting other members to microphones themselves. ther people in their attitude to fundamental ways, in which offer than cockiness and a de- just secured the world's first perhaps a lifetime, they quietly prompting other members to microphones themselves. top businessmen can be en gree, who pays insufficient re- exclusive with the Deity. We have not found them un-couraged to appear you the gard to a man's age and

experience. Or too many "pundits" who preach at businessmen but never, of course, have to put their money where their mouths are. The line between being informed and a know-all

or Business," and was the warrant maximum exposure at of those accepted as the norm as a "pig's breakfast" and a lose—and to be treated with Cross any member of the Many people in current affairs of the Laing group, discussing department as a "bloody common courtesy.

Encouraging businessmen to show a bold TV face

prosper or fester with no one appear.

short of resources that some of hatchet job. the real sins are committed. A story" breaks, the programme ently been transmitted at a times forget that otherworlds are different from television, and very there is no doubt with the Nicholas Faith is in the play hide and seek behind lines a researcher rings up a light-saving been brought forward business particularly so.

In minorical pressures on Insummercial pressures on Insummercia

fortunes. But a spot of trouble ducing programmes that merely unknown names because they

It is when programmes are intention to try to do a seem to place most emphasis on fame. The list continues. having Uncle Tom Cobley,

the men who make a business out of talking about business-

Among the "names" so far have been Sir Maurice Laing, business establishment and he have forgotten that they are nationalisation, John Sainsbury his newspaper workers, Sir Perhaps Enterprise has Marcus Sieff of Marks and giving tuppence for their One has to guard against pro- secured a galaxy of known and Spencer, Selim Zilkha (Motherbrings an onslaught of cameras curry favour. On the other know they will be top of the biggest private housebuilder. hand, it should not be one's first bill. Some programme makers and Clive Sinclair of micro-TV

So all is not doom and gloom. financial tipsters, economic Businessmen can speak interestseers and that ilk in the studio. ingly and informatively to an all taking precedence over the enormous audience. All you poor blighters who actually have to do is spend a lot of

the sinews: of industry

CRENDON

precast concrete structures

ENDON CONCRETE CO LTD

Thame Rd., Long Crendo

Aylesbury, Bucks, HP18,988

Tel: Long Crendon 208481

Building and Civil Engineering

£350m airport project

he latter with preparation of national. · i Tender documents.

Facilities to be provided mentation is planned for Novem-nelude a 4,000 metre runway, her and work on site is expected our passenger terminals, con- to start early in 1979.

Agricult (French Kier Group).

Agricult (French Kier Group).

Agricult (French Kier Group).

Agricult (French Kier Group).

Agricult (French Kier Group). For Northampton Development square metres of floor space. In square metres of floor space. In cluding office accommodation, the company is to cluding office accommodation. This contract. The contract is worth £535,000.

This contract. The contract is worth £535,000 and involves the contract is contract. The fourth contract, worth contract worth contract is contract. The fourth contract is contract. The fourth contract is contract. The contract is contract. The fourth contract is contract. The contract is contract is contract. The contract is contract is contract is contract. The contract is contract is contract is contract is contract. The contract is contract is contract is contract in the contract is contract. The contract is contract is contract in the contract is contract in the contract is contract. oads, services and other ex- about 22m is for the construction of a two-storey hearth centre including a caretaker's ernal work in addition to the tion of an abattoir complex at flat together with drainage and brellings. Work is due to start Crick, Northamptonshire for Mid-external works.

At Milton Keynes Marriott is to undertake a £2.9m contract for the construction of 218 dwellings, including roads, services and ex-ternal works at Heelands for the Development Corporation. This £1m Worth contract starts on September 11 and will take 86 weeks 10 com- for Mears

For Corby Development Cor- THREE

Pembroke. South Wales, for the Pembroke Cracking Company.

Work which is being carried full length main exhibition hall.

Out for Snamprogetti is now 42 metres wide, flanked by ancillary mith completion prolary accommodation, including factory restaurants, kitchens, bars, factory

BUILDING SOCIETY RATES

Every Saturday the Financial Times publishes a table giving details of Building Society Rates on offer to the public.

> For further details please ring 01-248 8000 Extn. 266

changing rooms and toilets. A.C. F. Muller, of Arhuus, Den-8-metre wide gallery, located mark, in association with Roger above this will run the full Hobbs-John Corbey and Assolength on each side of the main clates. Henry Cooper and Sons hall. The contract, valued at are the quantity surveyors. £1.2m is due for completion

before The Royal Highland Show

in July 1979.

Down in the South Wimpey has been awarded two contracts Pumps for A MAJOR expansion of Baghdad trof tower and communications nternational Airport has been building, a cargo terminal, a troposed. Likely cost has been wery, very important personous for the Swaythling Housing sizes "terminal, various ancillary Society for the modernisation of buildings, roads and services.

One of the first moves has Other members of the coastly Southampton. The other is for ABOUT 512m. jointly valued at over £1,6m. one of the first moves has other members of the coasilfine the appointment of Scott, and Partners, services engineers, flaunsell Consultants to assist and British Airports Interthe latter with preparation of national.

Society for the modernisation of the two-storey houses in Southampton. The other is for ABOUT £1.2m worth of pumps the Borough Council of Basings and associated equity, ent for a stoke and Deane for site preparation of the Special consultants to assist and British Airports Interthe latter with preparation of national.

Society for the modernisation of the Special constitution. The other is for ABOUT £1.2m worth of pumps the Borough Council of Basings and associated equity, ent for a stoke and Deane for site preparation. This mund Pulsometer Projects, a member of the SPP Group of

Completion of tender documentation is planned for November and work on site is expected a start early in 1979.

At Milton Keynes Marriott is expected of undertake a form of tender of the SPP Group of the SPP Group of Reading Berks.

Corporation, Wimpey has won a The scheme, which is being contract for the supervised by C. H. Dobbie and modernisation of 80 council Partners, covers the three towns, dwellings at Abbey Drive, Zwarah, El Jimil and Regisleen.

Symton, Lancs.

THE FIRST phase of the Grundfos: Pump Group's factory complex at Sunderland, Tyne and
Wear, has been survivaled.

BA 10HM

SWINFIELD

member of the SPP Group of Reading Rocks

It allows for a present popula-tion of 30,000 increasing to 90,000 and includes construction of a new regional sewage treatment works as well as nine pumping stations in which the equipment

is to be installed.

The main civil engineering contractor is the Arab Union Contracting Company of Tripoit.

for Pump Group's factory complex at Sunderland, Tyne and Wear, has been awarded to Fairclough Construction.

Worth f18m, the contract is ABOUT 4,000 steel-encased and for the provision of 1,482 sq. cast in-place concrete piles for metres of office space 1,974 sq. grain storage sites in Cairo and metres of ancillary space and a production area of 5,040 sq. metres.

Fairclough is expected to complete phase one in October next year. When the overall complex for the General Authority for its completed it will be one of Supply Commodities, and transomes; new internal the existing sills West Midlands regional distribution denot for Ruymp on a Wolverhampton Borough Council vertical circulation and service core and a new entrance facing bank of the parapets, minarets, builders and plumbers merchant is being hullt by Tarmac in time have been replaced and newly cast in moulds taken from pieces worked. Work on the £2m sub-contract, year. When the overall complex for the General Authority for the Largest pump factories in the world.

Architects for the project are of this year,

Merchant's new depot

workers

Housing the Renovation work

The structure of this 11-storey building for the Bank of Credit and

Commerce International in Dubai has just been completed by Bernard Sunley and Sons. The building will be faced in blue glass and is due for completion in February next year. The architect is Fitzroy Robinson and Partners.

designers were called on to re-store the shell to its original state and to construct a new interior. Their solution entailed

example of the way to restore buildings . . . The extensive restoration is not apparent and buildings

even the substitution of fibre-glass reinforced plastic for terra cotta has been done with decep-tive skill and care."

The architects for the scheme are Booth, Shaw and Partners (job architect John P. Denison) and the main contractor is Fair-clough Building.

H.A: N. BROCKMAN

Workshops and car showroom

new showrooms and workshops in Bishopsgate Road, Eastleigh, Hants, for David J. Sparshatt: a main Mercedes dealer. The development is by Hillspan Macdonald Developments of Eastleigh.

Contract value is over £210,000 ment of the 31-acre Tottenham and work is scheduled for comletion in early spring, 1979.

EMI, and for scaffolding for and work is scheduled for completion in early spring, 1979.

Awards to Taylor.

EMI, and for scanding for London Borough of Camden.

A computer room is to be constructed at Peggy Middleton House, Woolwich New Road, for the London Borough of Greenwich under a £171.000 contract awarded to John Laing Construction.

VICAIPINE OVER 53m GEORGE WIMPEY has won contract in a "design and build a service of the supplication as greated to provide 42 bonses and fast many foundations, puperacts, roads as greated to provide 42 bonses and fast many foundations, puperacts, roads as greated build as g Britain with

Willett Limited Mitcham House, 681 Mitcham Road, Croydon CRN 3AP Telephone: 01-689-2266 Telex No: 94651)

Under a £100,000 contract Myton, a member of the Taylor Woodrow Group, is to carry out alterations to the entrance hall of Aldwych House, London, WC. for the Legal and General Assurance Society. Another jub for Taylor Wood-row is the rehousing of a branch START has been made on of the Midland Bank at Kings we showfooms and workshops Reach Development, Stamford Eastleigh. The Contract Services Division Main building works, as well as of GKN Mills Building Services site piling, will be undertaken by has been awarded two contracts A. E. Jukes and Son and steel-totalling over £150,000. They are work and sheeting is to be for access scaffolding and other supplied by Hillspan.

Packages with strings

But, since the action of the paid for on receipt rather than this advocacy of a Bill of Rights He instanced three pitials on appointment a for an people in the Press.

Those instances apart, judicial of judgement — complacency can inflate his importance beyond beading for Spain, should the forlitude as they can muster.

This instances apart, judicial of judgement — complacency can inflate his importance beyond silence out of court is severely irritability, and the illusion of what is socially desirable, maintained. The judges' isolation to hear a senior judge publicly of the press.

Clearly it should be open to is well high complete.

Clearly it should be open to is well high complete.

TV/Radio

5.40-7.55 am Open University (Ultra High Frenquency only). 9.55 Paddington. 10.00 Jackanory. 10.15 Grange Hill. 10.35 Three's

FOR THOSE who like holidays would happen to that money in

But, since the action of the paid for on receipt rather than

THE WEEK IN THE COURTS

Judges did well to sit in judgment on themselves

BY JUSTINIAN

tionally, in a serious newspaper (Lord Scarme), once indulged his advocacy of a Bill of Rights

about a judge's role. gramme
He instanced three pitfalls On ap

beading for Spain, should the forlitude as they can muster.

tour companies be burdened with the hefty additional costs families to withdraw from a which resulted? Should passengers be insulated against the that there are serious faults in impact of industrial action? the package, whatever the cause. Could the tour companies build A delay of more than 24 hours, cover themselves against such on the return voyage, might be problems; and if they did, what considered just such a fault.

Silence out of court is severely irritability, and the illusion of what is socially desirable.

"What is socially desirable.

"What is socially desirable.

"What you have to try to to hear a senior judge publicly and the illusion of what is socially desirable.

"What you have to try to to hear a senior judge publicly and the illusion of the try to to hear a senior judge publicly and the title that it is all too court you are doing a very important job but when you are out fault in a radio to say to himself; that he is of the package, whatever the cause. A delay of more than 24 hours, and the development of the law.

That Gilbertian scalingers is the interest of the try to the package out to hear a senior judge publicly and the try to hear a senior judge publicly and senior in all the senior in fall hills.

"What you have to try to hear a senior judge publicly and the illusion of the try to hear a senior judge publicly and the illusion.

"What is socially desirable.

"What is official senior in a radio to say to himself; that he is of hear a senio

ATV

FARDER AND USE OF THE PROPERTY OF THE PROPERTY

speaker and he was forthcoming ciary, prompted by this pro

SCOTTISH.

CRICKET BY TREVOR BAILEY

England batting showing chinks

GOLF BY BEN WRIGHT

Canny Trevino makes his forecast work

THERE IS no cannier golf perhole. He had to go eight holes Ballesteros demonstrated his former than Le Trevino, winner against the black golfer Lee immaturity, which is half his of the Benson and Hedges Inter-Eider in a play-off for the charm. He never has any intennational Open at the fourth hole Milwaukee Open little more than tion of playing safe and, having of a sidden death playoff a month later. So he knows taken the load from his great against England's veteran Neil what the extra-time business is rival. Faido, with a glorious Coles, and Noel Raicliffe (Aus-all about.

Coles, and Noel Raicliffe (Aus-all about.

The iron Saturday evening.

The trio had tied at 10-under-for a magnificent eagle two at winner.

par 274 in driving sain. Trevino for a magnificent eagle two at winner.

won when Coles drive into a the 458-yard fourth-hole. Out in Bullesteros will, like Arnold bush after the two had recorded 31 shots and, knowing the value palmer, lose many fournaments are recorded to the said of the said

SCOTISM

6.40-7.55 am Open University.
11.00 Play School.
4.30 pm Cricket: Second Test—
Enniand v. New Zealand.
5.35 Open University.
7.00 News on 2 Headlines with sub-titles.
7.00 News on 2 Headlines with sub-titles.
7.05 World Chess - Champlon.
7.06 World Chess - Champlon.
7.07 Sam Gentle Relief Sub-titles.
7.08 World Chess - Champlon.
7.09 World Chess - Champlon.
7.09 World Chess - Champlon.
7.00 World Chess - Champ

ALTHOUGH Re de Bourbon took he encountered on Saturday. By Royal Hive achieved an almost the main prize, the £21,000 for Brigadier Gerard, a stallion who, comparable racing record. The most impressive personance of the day, in my and-out soft-ground specialists top stayer, Shangamuzo, in the most impressive personance of the day, in my and-out soft-ground specialists opinion, was that by R.B. Chesne, a full soft-ground specialists top stayer, Shangamuzo, in the sundismissed as probably being mare. Vive la Reine, a full sister for the had scrambled home from the unfancied Serge Lifar in the Sandwich Stakes at Ascot last month, showed vastly improved form in landing the Washington Singer Stakes.

Always travelling smoothly in front, R.B. Chesne had his market in paddock in mind. Dunfermine is a rangy hay by the dual Derby and 2,000 Guineas winner of 1967, Royal Palace.

Although Re de Bourbon took he encountered on Saturday. Winner of four racing record.

What might be Winner of four racing record.

Winner of the was beaten by only two lengths by the lengths top stayer, Shangamuzo. In the good cup at Royal Ascot this stayer.

At Windsor today, Shoe, a full sister to Banco, who scored on Saturday.

Saturday ought to be two

Always travelling smoothly in front, R.B. Chesne had his market vinner of 1967, Royal Palace. rival, Lake City, in trouble and finding nothing fully two furlongs from home. From that Palace and, in fact, a better point the questions were by how looking one, is out of the Never far he would win and who would far he would win and who would Say Die mare, Come on Honey.

R. B. Chesne is certainly bred headlines in quite the same way to handle the testing conditions as classic winner Dunfermline,

Although she did not hit the

2.45—Gui Mercus. 2.15—Wild Card 3.45—General Atty 4.15—Solo Reign 4.45—Starshot 5.45-Call Me Kate

WINDSOR

4.00-Calibration**

Capes snubs drug athletes

cott of this month's European 10; in.

to compete with countries ignoring the regulations on drug taking," said Capes after he had won one of England's six gold medals on the last day of the Commonwealth Games here.

"We have not yet had an official" meeting, but, we have with being taken for granted.

bloc athletes were "sorted out ships until he returned home.

"They are not the best athletes with Canada collecting 109 medals (45 gold, 31 silver, 33 bronze), followed by England to their heads off at the number of with 87 (27, 28, 32) and Austrulia in the West, and I am fed up \$4 (24, 33, 37). Scotland won with being taken for granted.

"We have not yet had an with being taken for granted."

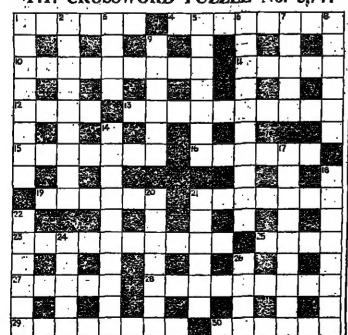
"We have not yet had an with being taken for granted."

"We have not yet had an with being taken for granted."

"And Northero Ireland 5 (2, 1, 2) and Northero Ireland 5 (2, 1, 2).

ourselves."

throwers are considering a boy man won the shot with 64 ft time.



10.15 Grange Hill. 10.25 Three's Company. 11.25 Cricket: Second Test—The Cornhill Insurance Test Serics, England v. New Zealand: 1.30 pm Mr. Benn. 1.35 Wales—1.30-1.45 pm Pill Pala. News. 2.10 Cricket: Second Test— 5.55-6.20 Wales Today. 6.50 Newydd. 6.55-7.20 Twndish. 11.55 Regional News for England (ex. Newydd. 6.55-7.20 Twndish. 11.55 News and Weather for Wales. Cept. London). 4.20 Play School SCOTLAND—5.55-6.20 pm Retails BBC-2 11.0 am). 4.45 Roebarb. 4.50 Help! It's the Hair Bear Bunch. 5.10 Go with Noakes. 5.35 Weather for Scotland. NORTHERN IRELAND—4.15-Captain Purwash:

7.20 The World of Jacques (Leeds, Manchester, Newcastle); of Land Research Cousteau.

8.10 Headmaster.

9.20 The World of Jacques (Leeds, Manchester, Newcastle); of Leeds, Manchester, Newcastle); of Leeds House, Leeds House, Newcastle); of Leeds House, Leeds Ho of Private

NORTHERN IRELAND 4.13-4.20 pm Northern Ireland News. 5.55-6.20 Scene. Around Six. 11.55 News and Weather for Northern Ireland. ENGLAND 5.55-6.20 pm Look East (Norwich); Look North Captain Pugwash: 5.40 News. 5.55 Nationwide (London and - South-East only). 6.20 Sounds of Gold. 6.50 Come Back Mrs. Noah, F.T. CROSSWORD PUZZLE No. 3,744

1 Red Indian doctor hunting 1 To Sad a rich husband sounds like a bloomer (8) .

BBC 2

To life the series of the seri

Maidenhead.

6.20 Cartonn Time.

6.45 The Kenny Everett Video Show.

7.30 Coronation Street.

8.00 A Soft Touch.

8.00 Out.

9.00 Out.

10.00 News.

10.00 Appointment with Fear:

"Theatre of Death."

12.15 am Close: A painting by Canaletto accompanied by the music of Vivaldi.

All IBA Regions as London Parent Wichen.

All IBA Regions as London Parent Wichen.

ANGLIA

ANGLIA

ANGLIA

10.20 a.m. Dynomut, the Dog Wonder. Search William Person. Stirring Jennes. The Journal of West Law Regions. Law Regions. A Law Regions. Stirring Jennes. The Journal of West Law Regions. Law Regions. Law Regions. Law Regions. Law Regions. Law Regions. Stirring Jennes. The Journal of West Law Regions. Law

1 Red Indian doctor hunting bird (5)

1 Is shows a measure of intelligence (3)

1 Exhausted by rearrangement of garden rug (3, 6)

2 Exhausted the rearrangement of garden rug (3, 6)

3 Dehrard (born 51)

5 Dinard (born 51)

5 Dinard (born 51)

6 Big ett converting North Sea Big is moderned (4)

6 Big ett converting North Sea Big is moderned (5)

7 Big ett converting North Sea Big is moderned (5)

8 Big ett converting North Sea Big is moderned (5)

8 Big ett converting North Sea Big is moderned (5)

9 Big ett converting North Sea Big is moderned (5)

10 Big ett converting North Sea Big is moderned (5)

11 Should be developed (4)

12 Big ett converting North Sea Big is moderned (5)

13 Foolballer for HQ to share (6, 4)

15 Pollants offering rest to the complacent (7)

16 One would return in small hours, to expand (6)

16 One would return in mall hours, to expand (6)

17 Converting North Sea Board (4, 5)

18 Convert right man with rod (7)

18 Convert right man with rod (7)

18 Convert right man with rod (7)

19 Corner right man with rod (7)

20 Excellent specimen of snake Fooling see by novelist on railway (8)

21 Excellent specimen of snake Fooling see by novelist on railway (8)

22 Excellent specimen of snake Fooling see by novelist on regist of the regist made available (4)

23 Transfor payment outside right made available (4)

24 Excellent specimen of snake Fooling see by novelist on the regist of the regi

EDMONTON, August 13. GEOFF CAPES and other British Capes, 22 st Huntingdon police countries and test anyone at any The other way is for every

cott of this month's European championships in Prague because they allege, their East European counterparts use banned drugs.

There is no point in trying to compete with countries ignoring the regulations on drug.

There is no point in trying to the use of artificial stimulants, and that it was time the Russians, make up his mind definitely about the European championships the regulations on drug.

They are not the best athletes.

There should be a group of and Northern Ireland 5 (2, 1, 2) experts who can go into their Reuter

Royal Shakespeare Theatre Love's Labour's Lost



Janacek

London Symphony

by DAVID MURRAY

Whether by accident or by vividly exposed than its design, Friday's Prom was made emotional import. up of constructed music—music Andreej Panufnik conducted carefully devised, engineered, his own lifth symphony, the welded. Something in the Sinfontia di Sfere—music of manner of the conductor, David spheres in a merely geometrical atherton superts. highly cape.

seams in the work. There was a want of gentleness in the codas of "Venus" and "Saturu," and not much quicksilver in "Mercury" (taken at a surprisingly)

cautious tempo); in general, the innocent mechanisms of the music—which occasionally pre-

Applicants for bursaries should have at least begun to

The Consul by DAVID MURRAY

reasonable justice to the work—
remarkable justice; considering
the time in which it had to be
prepared—in Margaret Harris's
strikingly apt sets, and I fancy
that many theatregoers will find
its impact powerful.

The story, spiced with Puccinian ironies, is of Magda Sorel,
the wife of a political refugee,
who needs official papers to
escape the country with her
family and join him; the infinitely slow, impersonal work-

welded. Something in the Sinfows di Sfere—music of manner of the conductor, David spheres in a merely geometrical Athenton, suggests - a highly sense, for it is a rigidly consensult of the conductor, David spheres in a merely geometrical Athenton, suggests - a highly sense, for it is a rigidly consensult of the manner of the conductor, David spheres in a merely geometrical Athenton, suggests - a highly sense, for it is a rigidly consensult of the manner of the conductor, David spheres in a merely geometrical attention, suggests - a highly sense, for it is a rigidly consensult of the manner of the conductor, David spheres in a merely geometrical attention, suggests - a highly sense, for it is a rigidly consensult of the manner of the conductor, David spheres in a merely geometrical attention, suggests - a highly sense, for it is a rigidly consensuation of the conductor. David spheres in a merely geometrical attention, suggests - a highly sense, for it is a rigidly consensuation of the conductor. David spheres in a merely geometrical attention of the conductor, David spheres in a merely geometrical attention, suggests - a highly sense in the manner of the conductor. David spheres in a merely geometrical attention of suggests - a highly consensuation of the conductor of suggests - a highly consensuation of the conductor conductor of the conductor conductor of the conductor conductor of the conductor conductor conductor conductor conductor conductor conductor conductor conductor. David department of the conductor conductor conductor conductors in the conductor conductor conductor conductor conductor conductor conductor conductor conductor conductor. David department conductor finitely slow, impersonal workings of the international bureau-



Schubert, Brahms and Forbes by WILFRID WELLERS

Michael Hordern and Jo

Harrogate Festival

The Karrophi Pestival Cos- trry, some severall a mode of done his Trout R is less proposed in the control of th

be held personally responsible.

Marceau founds

mime school Marcel Marceau, the French many artist, is to head a new school of minne in Paris. Known as the Ecole de Mimodrame are not eligible. Application diartis Marceau, it will be funded by the City of Paris, and will initially take 100 students can athree year course. This will dilly. London WIV OAU. Closing the state dancing and improvisation.

The school at the Theatre de its Porte St. Martin, will open is November. It is intended to he fully international and students will the accepted from any part of the world.

CAMERID'SE. SE 838 6056. Mon. to Thors. 8.00 milety, Sammay 5.45 and 18.00 milety, Sammay 5.45 and 18.00 milety from the Exercise Bladt Airican Mosical Packed with Savery. Dry. Mirror. Sept. Third School School. THIRD FRANK TARRENT YEAR Dunner and 100 milety saaks 68.75 incl. establish themselves professionally as practising lazz musicians.

They should be of British nationality and resident in Eng-CHICMESTER 13 18 at 7.00-Aug. 17
Aug. 18 18 at 7.00-Aug. 17
Aug. 18 17 4 19 at 7.00
THE ASPERIM PAPERS

15	pattern at in an Iron Maiden.	Menotti's English word-setting	g the producer has intruded him	taste.
h-	150 000			
W 2.11	C IBA	NTERTAINN	MENT GUIL	DE
y.	CC—These theatres accest certain credit cerds by selephone or at the Box Office. OPERA & BALLET	Sat. 5.00. Martiness Wed. & Sat. 3.00	THEATRES OLD VIC. PROSPECT AT YME OLD VIC. June-Sept. Season	ST. MARTIN'S. CC. 01-836 1443. EVA. 8.00. Matines 1945. 245. Style. 5 & 8. AGATHA CHRISTIE'S THE MOUSETRAP WORLD'S LONGEST-EVER RUN 25th YEAR TALK OF THE TOWN. CC. 01-734 5051. 8.00. Disling. Dancing (Sans open 7.15). 9 30 Supper Review.
ė	COLISEUM. Credit cards 01-240 5258- Reservations 01-836 3161. ENGLISH NATIONAL OPERA Wed. and St. 25 7.30. La Reference	"A rare, devastating, loyous, astonishin stunner," 5, Times, 3rd GREAT YEAR DUCKES, 836 8243 Mon. to There	THE LABY'S NOT FOR BURNING Derek Jacobi "easy and virile authority." Standard. Elicen Arkins Tringeling Diveloping Buddhy "Financial Times."	WORLD'S LONGEST-EVER RUN-
	Wed. and Set. 27 7.30. La Borener, Therr. at 7.30, The Mapte Fisher Fi. at 7.30, new production of THE COMSUL (this replaces scheduled port. of Carment, The Company of Carment, Company of Carment, Company of Carment, Ca	DUCHESS. 836 8243 Mon. to Thorn Evenings 5.00, Fri., Set. 6.15 and 9.00 OWI CALCUTTA! "The motive is stunning," Daily Tel. 9th Sensational Year.	gem of a performance from Robert Eddison . Michael Dealson, John Savident and Bredge Brice Knop up the Loophs, Guardian.	TALK OF THE TOWN, CC. 01-734 5051. 8.00. Diging, Dancing (San open 7.15). 9 30 Support Review, RAZZIE DAZZIE Bod 31 11 9.00. LOS REALES DEL PARAGUAY
	ROYAL FESTIVAL HALL. 928 3191.	Limited Season. Must end August 26	Derek Jacobi in IVANOV—Chekhov's first comedy. Previews from August 15th at matines prices.	LOS REALES DEL FARAGUAY THEATRE UPSTAIRS, 730 2554, Rehearsed Residing THE GUISE by DAVID MCWAT Fri. and Sat. only at 7.30 p.m.
	Tvs. 7.30. Mat. Sats. 3. Aug. 21 to Scot. 2. Swan Laket Sept. 4-8, Misred But. Tits. 51 to 85.50.	in July Mitchell's HALF-LIFE A NATIONAL TUSATUS DESCRIPTION	OPEN AIR. Regent's Park, Tel. 485 2431. Shaw's MAN OF DESTINY AND DARK LADY OF THE SONNETS, Tonight & Fri.	Fri. and Sat. only at 7.30 p.m. VAUDEVILLE. 836 9988. CC. Evs. 8.6.
2 2 4	ROYAL PENTIVAL MALL B28 3191. Last Week, Ex. 7.30, Mats. Sats. 3. GREAT STARS OF WORLD BALLET FONTEYN, GELGID, MAKAROVA. MORISHITO, SEYMOUR and BUJONES, JEFFERIES, KELLY, NAGY, SHIMEZU and CORPS DE BALLET	A NATIONAL THEATRE PRODUCTION "Brullanthy witry on one should miss it." Harold Hopson (Drama). Instanched care reservations, Dinner and Top- price sagts, 27,09.		Driah SHERIDAN, Dulcie GRAY A MURDER IS AMMOUNCED The newest whodush by Agains Christle "Reemer Agains Christle with another
1	MORISHITO, SEYMOUR and BUJONES, JEFFERIES, AELLY, NAGY, SHIMIZU and CORPS DE BALLET	PORTUNE 836 2238, Evs. 8.0. Thurs. 3 Saturday 5.00 and 8.00. Thurs. 3 Muriel Paylow as MISS MARPLE in MURDER AT THE VICARAGE POURTH GREAT YEAR.		VAUDEVILLE 836 9988. CC. Em. 8-6. Mai: Tuel 2.45, Sat 5.0 and 8-0. Dinah SHERIDAN Duicle GRAY Dinah SHERIDAN Duicle GRAY The ROUNDER IS ANNOUNCED The newest whodum by Agains Christie "Re-emer Agains Christie with another whodumnit hit. Agains Christie is stalling the West End yet spain with another of her Sendishly ingenious murdar mysteries" Fells Earker, Evening News. AIR-CONDITIONED THEATRE.
	THEATRES ADELPHI THEATRE, CC. 81-836 7611. LAST NINE WEEKS, MUST END OCT. 14	POURTH GREAT YEAR. GARRICK THEATRE, CC 01-836 4601 Eves. 8.15. Web. 3.0. Set. 5.30. 8.30.	by Tim Rice and Ambrew Lloyd-Webber.	91-828 4735-6, 91-834 1317.
	Evgs, 7.30. Mass. There 3.0. Set 4.0 INCHE INCHE INCHE INCHE 1RENE THE BEST MUSICAL or 1976, 1977, and 1978.	GARRICK THEATRE, CC 01-836 4601 Eves 8.15. Wed 3.0. Set 530, 830. TIMOTHY WEST, GEMMA JONES, MICHAEL KITCHEN IN HAROLD PINTER'S THE HOMECOMING "BRILLIANT—A TAUT AND EXCEL- LENTLY ACTED PRODUCTION," D Tel- AN INFERMISTIELY BUTH WORK.	FHOENIX, 01-836 2294, Evenings at 8.15 Mats. Wed. 3.0. Saturday 6.00 and 8.40. "TIM BROCKE TAYLOR, GRAEMS GARDEN make us laugh," D. Mall.	SHEILA HANCOCK ANNIE Eves. 7.30. Mats. Wed. and Sec. 2.45. WAREHOUSE, Dommar Theatre, Covent
9	ADELPHI THEATRE. CC. B1-838 7811. LAST NINE WEEKS, MUST END-OCT. 14 EVES. 7.30. Mest, There is a.0. Set 4.0 INCOME. INCOME. INCOME. THE BEST MUSICAL OF 1975, 1977 and 1978. INCOME. INCOME. "LONDON'S BEST NIGHT OUT." Sunday Propri. CREDIT CARD BOOKINGS 858 7811.	LEMILY ACTED PRODUCTION," D Tel. "AN INEXHAUSTIBLY RICH WORK." Guarde. "NOT TO BE MISSED," Times.	PHOENIX, 01-836 2294, Evenipus at 8.15 Mats, Web. 3.0, Saturday 6.00 and 8.40. "Tim BROOKE TAYLOR, GRAEME GARDEN make us isugh. D. Mail. THE UNIVARINSHED TRUTH THE UNIVARINSHED TRUTH "A LAUGH WHY I THOUGHT I WOULD HAVE DIED." Sunday Times. "SHEER DELICATE EV. SENDRAY. "GLORIOUS CONTINUOUS LAUGHTER." TIMES.	WARENOUSE Donmer Theatra. Covent Garden. 236 5805. Royal Shakespeare Company. Tont. 8.00. Pate Atkins A AND R. Above all there is Pete Atkins music which stone would make the play worth poing to listen to." E. Stangard, All seats 41.80. Adv. bkgs. Aldwych. Student Standby £1.
3	ALBERY, 535.2878, Credit card blags. SSS 1077-3 troe 8.30 am. Party rates Mon., Toes. Wed. and Fr. 7.45 pm. Thurs and Set. 4.10 and 8.00. A THOUSAND TIMES WELCOME IS LONEL BART'S COMPACTURE OLIVER	GLORE THEATRE. 01-437 1592. Eves. 8.15. Wed. 3.0. Sat. 6 0. 8.40. PAUL EDDINGTON, JULIA McKENZIE, BENJAMIN WHITROW IN ALAN AYCKBOURN'S New Comedy TEN TIMES TABLE	PICCADILLY from 8.30 am. 437 4505. Credit cards 835 1071-3. MonTher. 8.	L. Standard, All seats £1.50. Adv. bkgs. Aldwych. Student Standby £1. WHITEHALL. 01-930 6592-7765.
	A THOUSAND TIMES WELCOME IS LIDNEL BARTS	ALAN AYCRBOURN'S New Comeny TEN TIMES TABLE "This must be the happlest laughter- maker in London," D. Tel. "An irrelistibly enloyable evening." Sunday Times.	PICCADILLY from 8.30 am. 437 4506. Credit cards 636 107142. MonTher. 8. Fri. & Sal. 9 4.75. (T. 17.) SYLVIA MILES twice OSCAR 107146. MON. SPECTACULAR - PERFORMANCES FROM EVERY MEMBER OF THE COM- PANY, "Gwardlan, "A new play by TENNESE WILLIAMS TENNESE WILLIAMS (The "Old Quarter" of New Orleans) - For those who delignt in the continued power of this grast writer. "Showing off his marvetions tomic gift," 7 mes.	WHITEHALL 01-930 8592-7765. Evgs. 8.30. Fri. and Sat. 6.45 and 9.00. Paul Reymond presents the Sensational Sex Retue of the Century DEEP THROAT 6th GREAT MONTH
	ABLE TO SEE IT AGAIN." Daily Mirror. ALDWYCH 836 6404, Info. 836 5332. Fully air conditioned		PANY, "Geardian, A new play by TENNESER WILLIAMS VIEUX CARRE (The "Old Quarter" of New Orleans)	Twice Nightly 8.00 and 10.00. Sundays 5.00 and 8.00. PAUL RAYMOND presents
3	TOYAL SMAKESPEARE COMPANY IS REPORTORY. TORIGHT, TORIGHT, TORIGHT, TORIGHT, WOMAN PIRATES ANN SOMETY 200 MARY READ	Evenings 8.0. Sats. 5 and 8. HAYMARKET. 930 9832. Eves. 8.00.	Por those who delight in the continued power of this grant writer showing off his murvellous comic girt. T mes.	Twice hightity 8.00 and 10.00. Fundayia You of the presents FAUL RAY HOND FAUL RAY HOND THE REPORT THE RECTIC EXPERIENCE OF THE MODENN ERAIMITE WHEEL IS PERMITTED OF THE MODENN ERAIMITE WHEEL IS PERMITTED OF THE MODENN ERAIMITE WHEEL IS PERMITTED OF THE MODENN ERAIMITE WHEEL IS PERMITTED OF THE MODENN ERAIMITE WHEEL IS PERMITTED OF THE MODENN ERAIMITED
	ALDWYCH 838 6404, Info. 836 5332. Fully all conditioned ROYAL SHAMESPEARE COMPANY to repertoire. Toologs, Tomor, Wed. 7.50 Steve Gooch's. The Woman Pirantes ANN SONNEY 2004 MARY READ MORE IN MILE STANDARD THE CASE ANN SONNEY 2004 MARY READ MORE IN MILE STANDARD THE DANCE OF THE SECTION OF THE STANDARD THE DANCE OF THE CASE OF TH	HAYMARKET, 930 9832 Eves, 8.00. Wed. 1.30. Set, 4.30 and 8.00. FAUL SCOFIELD HARRY ANDREWS ELEANOR TESVOR BRON FEACOCK	PRINCE EDWARD, CC. (Formerly Casino.) 01-437 6877. Performences this week: Eves. 8.0. Mat. Thor. 3.0, 5at. 3.0. 8-0. NOTE CHANGE OF SAT. PERFS. From September 2: Sirs. 3.00 and 8.00. EVITA by Tim Rice and Andrew Lloyd Webber. Directed by Harong Prince.	3rd GREAT YEAR WYNDHAM'S, 01-835 3028, Credit Card Bkgs, 836 1071 from 8.30 p.m. Mgs-
	RSC ALSO AT THE WAREHOUSE (See ander W). AMBASSADORS CC. 01-836 1171	BRON IRENE HANDL ID and IRENE HANDL ID A FAMILY a new play by RONALD HARWOOD, Directed by CASPER WREDE. "An admirable play, honest, well con- ceivee, properly worked out, inshiy and attingly written, richly satistylog. Put Scokeld at his best." B, Levia, S, Times.	by Tim Rice and Andrew Lloyd Webber. Directed by Harold Prince.	WYYNDHAM'S, 01-836 3028, Credit Card Bigs. 936 1071 from 8.30 p.m. Mga- Thur. 80. Fri. and Set. 5.15 and 6.30. VERY FUNNY. Evening News. MARY O'Maller's smach-hit comedy "Supreme comedy on Set and religion." "MAR'S YOU SHAKE WITH LAUGHTER" Guardian.
	AMBASSADORS, CC. 01-836 1171. Nightly at 8-09. Matiness Tues. 2.45. PATRICK CARGEL S 5-86 8. PATRICK CARGEL S 5-96 8. D SERVITONY ANMALY	Ceree, properly worked out, highly and attingly written, richly satisfying, Paul Scoked at his best." B, Levin, S. Times.	PRINCE OF WALES. CC. 01-930 8681. Evenings 8-0. Saturdays 3-50 and 8-45. THE HILARROUS BROADWAY COMEDY MUSICAL 1 LOVE MY WIFE STATTING ROBIN. ASKWITH DIVECTED BY GENE AKS CREDIT CARD BOOKINGS. 930 0848	Daily Telegram "MAKES YOU SHAKE WITH LAUGHTER" Guardian.
	The Word emous Truffier by ANTAL To Word emous Truffier by ANTAL EMONY SHARFER "Seeing 12 May 100 Pouch, 10 took and utter and took 500. Outner and Too-Srice \$22.00 and £4.00. Outner and Too-Srice \$22.00 and £4.00.	HER MAJESTY'S. CC. 01-930 6608. Evenings 8.00, Mats. Wed., Sat. 3.00. JAMES EARL JONES	Starring ROBIN ASKWITH Directed by GENE SAKS CREDIT CARD BOOKINGS. 950 0846	CINEMAS ABC 1 & 2 SNAFTESBURY AVE. 836 8861 Sep. Perts. All Seats Bookable. 1, 2081; A SPACE ODVSSEY (U., 70mm
	AFOLLO. 01-437, 2053. Evenings 8.00.	theatre." D. Mail, "Make it a must," Evaning Standard, LAST WEEK.	QUEEN'S, CC. 01-734 1156. Prevs. from Wed. Evgs. 8.0. Sets. 5.0 and 8.30 been august 23 7.0 from the parties from poticity. JAMES VILLIER, RICHARD VIRNON IN THE PASSION OF DRACULA	2r THE ONE AND ONLY (A). Wk. 4
1	Mets. Thurs agail, 5st. 5.00 and 8.08- DONALD SINDEN Actor of Tale, rest," Evening Standard. 15 SUPERS, No. W. SHUT SOUR EYES AND THINK, OUT UNGLAND Wakeoff Trout," Times.	KING'S ROAD THEATRE. 352 7488. Mon. to Thur. 9.00. Fil., Sec. 7.30, 9.30. THE ROCKY HORROR SHOW DON'T DREAM IT. SEE IT!	RAYMOND REVUEBAR, CC. 01-734 1593	CAMDEN PLAZA topp. Camden Town Tuber 485: 2443. Max Ophuls greatest film LOLO MONTES (A), 2.10, 4.20, 6.30. 8.50, 11.00.
-	AKTS THEATRE, TOM, TIMES. AKTS THEATRE, TOM, STOPPARD'S 2132. DERTY JANEN	LONDON PALLADIUM. 01-437 7373. LAST 2 WEE-S. ENDS AUG. 19. Mod., Tours., Thurs., and Pr., et a., Wed., and Sec. 6.19 and 8.50	RAYMOND REVUEBAR: CC. 01-734 1593 At 7 pm, 10 pm, 11 pm, Opens Suns. PML RAYMOND: PRESTING THE FESTIVAL OF EROTICA Fully all-conditioned 21st SENSATIONAL YEAR.	CLASSIC 1, 2, 3, 4. Oxford Street, topa, Tortenam Court Rd. Tubek, 536 0310; Sectial Season of Fide Entertainment for Children Land Adults). One price 50p. MogFit. 11 a.m. Doors 10.45 am. THE PERECRINE HUNTERS (U). THE GLITTER EALL (U). U and A prop. Children ball-price, I, Wat Osser's HERBEE GOES TO MONTE CARLO (U). Props. 1.30, 3.40, 5.55, 8.05.
1	"Hilarious Jee It." Sunday Times.	In a Spectacular Comedy Rovne	REGENT COM. CIRC. Jubel. 01-637 9862-3 THE CERTAL AMERICAN THE SECURITACE MUSICAL THE B.SO. THEY BEG SEC. 7.0 and 9.0 AN EPICT FOR SEC. 7.0 and 9.0 CREDIT CARD FORFORMERS CREDIT CARD FORFORMERS 01-637 9862-3	Mon-fri. 11 a.m. Doors 10.45 am. THE PEREGRINE HUNTERS (U). THE GLITTER EALL (U). U and A prog. Children balf-price,
1	Saturbay 38.7.00 and \$15. ASTORIA THE ASSA. CC. Cauring Cross Rd. 01-734 \$911. Mea. Thora. 8 am. Fri. and Sa. 185.00 and 8.45. (Builder Const Available) "Received. Presidence the examples and	LONDON PALLABIUM, 81-437 7373. September 4. For one week only. MAX BYGRAYES with Special Goed Star		N. Wat Dissey's HERBIE GOES TO MONTE CARLO (U). Props. 1-30. 3-40. 5-55. 5-05. 2. LAST 3 DAYS. Does McClure WAR- LORDS OF ATLANTIS (A). Progs. 1-10. 3-30, 5-55, 6-20. 5. John Carpenter's DARK STAR (A).
	Pri. and a second and sale. (Build a land and land) and standing and standing and standing and sale. (Build and land and	JOEY HETHERTON LONGON PALLADIUM. 01-457 7573. September 25th. For one Week Only. LENA MARTELL	ROYAL COURT, 01-730 1745. Air Cond. Evgs. 8. Sat. at R.O. RCLIPSE by Leigh Jatkson with Ann Bell, Peter Bowles. James Cosses. Leonard Fenton and PAUL ROCERS. Refrashingly unlashion-side and complexiously intelligent. M. Billington. Gd.	2.15, 5.35, 9.00, ZAROOZ (X). 3.40.
1	66.00. Helt hose before show best available seats 5.3.00. Mon. Thors. and Fri.	September 25th. For one Week Only. LENA MARTELL LYRIC SHEATRE, 01-457 3686. Evs. 8.00.	able and conspicuously intelligent. M. Billington, Gon.	7.05. 4, THE LAST WALTZ (U). Progs. 1.26. 3.45, 6.10. 8.35.

30 8681 ind 8.45 SICAL LYRIC IMEATRE D1-487 3686. EVA. 8.00.
MRI. Thurs. 1.00. Sal. 5.00 and 8.50.
MRI. THURS. 1.00. Sal. 5.00 and 8.50.
PLOWRIGHT
FILLMENA
BY Educate de Pilippo.
Directed by FRANCE ZEFFIRELLI
"TOTAL TRIUMPI. EX. News. "AN
EVENT TO IREASURE." D. MIT. MAY
IT FILL THE LYRIC FOR A HUNDRED
YEARS." Summay Times. MAYPAIR. 629 3035. Air cond. 875. 8. 521. 530 and 630. Work Met. 5.00. WELSH NATIONAL INFAIRE CO. BYLAN THOMAS'S UNDER MILK WOOD UNDER MILK WOOD
MERMAID. 248 755. Restainer
248 2835. Evenos 7.30 and 9.15.
Evenos 7.30 and 9.15.
Deserves Good boy
A play for actors and orgestra by TOM
STOPPARD & ANDRE PREVIN. Seats £4
£3 and £2. "NO ONE WHO LOVES
THE ENGLISH LANGUAGE AND THE
HIGHEST COMIC ART CAN POSSIBLY
MISS THE PLAY." S. Timat. "At last
a meaningtal and brillant and serious
potitical play." Cive Barnes. NY Post.
Rud excented to Sestember 30. SHAFTESBURY. CC. 01-853 5596.
Shaftesbury Ave. (High Molbern engl.
FANTASTIC
FURSTING WITH ENJOYMENT. D.T.
Prices £2 to \$5. Sect sents £2.50 b_bord
before show at Box Office. Except 2nd
perf. Fri, and Sat. Mon. Thur. 8.15. Fri.
and Sat. 5.30 and 8.50. Trans. to Dukep
of Yorks. August 29. ATTONAL THEATRE. 928 2252 OLIVIER (open stood) Ton't 7.30 THE CHERRY ORCHARD by Cheknor stras. by Michael Frayo. Tomor. 7.30 THE WOMAN. CHERRY ORCHANG at Lower T.30 THE WOMAN.
LYTTELTON (pressanium stage): Tont & Tomor. 7.45 REDROOM FARCE by Alan Archourn.
COTTES.OF. 8. (mill sopt. 21. THE PASSION. Many excellent chaps seets at 5 theres day of pert. Car park. Restaurant 928 2033. Credit card biggs. \$28 3052. STRAND. 01-825 7590, "Venions 8 00 Mat. Thurs. 3.00. Sal. 5.30 and 8.30. NO SER PLEASE VERE BRITISH THE WORLD'S GREATEST LAUGHTER MAKER GOOD SEATS SACOL-1.00.

WAREHOUSE Dommer Theatre. Covent Garden. 236, 5808. Royal Shaketosere Company. Tont. 8.00. Pete Atkins A AND R. Above all there is Pete Atkins music, which alone would make the play worth poing to listen to." E. Standard, All seats 21.50. Adv. bkgs. Aldwych. Student Standby 51. WHITEHALL FIT DI-930 8892-7765.
EVEN B.30. FIT and SAT. 6.45 and 9.00.
Paul Reymond Projects the Sensational
Security THEOAT
St. GREAT MONTH TWICE NIGHTLY 8.00 and 10.00.

TWICE NIGHTLY 8.00 and 10.00.

PAUL RAYMOND presents

THE EROTIC EXPERIENCE OF THE MODIEN EAR MODIEN EAR

"Takes to unprecedented limits what is permissible to but stage." Evils News.

3rd GREAT YEAR WYNDHAMS D1-835 3028. Credit Card
BKDs 836 1071 Irom 8.30 p.m. MossThur, 8.0. Fri. and Sat, 5.15 and 6.30.

VERY FUNNY. Evenine News.

Mary O'Mailer's smash-hit comedy
ONCE A CATFOLIC.

"Supreme comedy on sat and religion."

"MAKES VOLUMENTALE."

"MAKES VOLUMENTALE."

Guardian. CINEMAS

ABC 1 & 2 SHAFTESBURY AVE. 826 8861
Sep. Peris, All Seats Bookable.
1, 2081; A SPACE OBYSSEY (U., 70mm)
6lm. Wk. & Sun. 2.25, 7.55.
2r THE ONE AND ONLY (A). Wk. &
Sun. 2.10, 5.15. 8.15

CAMDEN PLAZA topp. Camden Torm
Tuber. 485: 2443. Max Ophuls greatest
film LOLO MONTES (A), 2.10, 4.20. 8.30.
8.50, 11.00. 8.50, 11.00.

CLASSIC 1, 2, 3, 4. Oxford Street, (opa, Tottenham Court Rd. Tube), 5.56 0310; Social Season of Film Entertainment for Children (and Adules). One price 50p. Mon.-Fri. 11 a.m. Doors 10.45 am. THE FEREGRINE MUNYERS (U). THE GLITTER EALL (U).

U and A prop. Children bait-price, 1. Walt Dissey's RERBIE GOES TO MONTE CARLO (U). Progs. 1.30. 3.40, 5.55. 5.05. DAYS Doog McClure WARLORUS OF ATLANTIS (A). Progs. 1.10. 3.50, 5.55. 8.20. phn Carpenter's DARK STAR (A). 5.35, 9.00, ZARDOZ (X), 3.40. 7.05. 4. THE LAST WALTZ (U). Progs. 1.26. 3.45, 6.10. 8.35. CURZON, Curson Street, W.1. 499 3737.

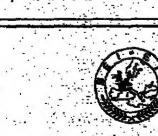
(Fully Air Conditioned), DERSU UZALA

(U. in 70mm (English aut-titles), A

slim by AkIRA KUROSAWA MASTERPIECE." Times. MASTERWORK." PIECE." Times. "MASTERWORK."
Observer. "MASTERPIECE." E News.
Film at 2.0. 5.45 and 8.20. Suns. 4 & 7. LEICESTER SO, FMEATRE 01-930 5252.
Richard Burton, Roser Moore, Richard
Harris, Hardy Kruser in THE Wild
GEESE (AAI, Sep. pross, Wis. 1.00,
4.30, 0.10, Late shows fell and Set,
11.45 pm. Seels may be booked in
advance for 8.10 pross. ODEOM, Haymarket. 01-930 2738/2771 MIDNIGHT EXPRESS CX1 See, pross. Div. doors open 2.00, 5.00, 8.00, All ceats bookeble. DEEDN Merble Arch, W2, 723 2011 2. CLOSE ENCOUNTERS OF THE THIRD KIND A1, 500 POOS. DIV. Doors doen 1.05. 4.15, 7.45, Late show Fr. and Ser. Doors open 11.15 p.m. All Seasts bkills.

PRINCE CHARLES, Laic, 50, 01-457 8181.

MEL BROOKS, HIGH ANXIETY (A),
Sen, Peris, Div. (Inc., Son.) 2.45, 6.15,
S.00. Late Show Fri. and Sec. 11.45.
Seats Booksbie, Lick'd Sar.
STUDIO 1 Oxford Circus, 01-457 \$300,
Jill Clayburgh, Alan Bates in Paul
Managary's AN UNMARRIED WOMAN
CLAYBOOK 1.15, 3.40, 6.05, 8.35, Late
Show Set, 10.50.



Notes belonging to Redemption Group No. 1 will be redeemed on and after

in accordance with drawing effected on July 26, 1978 pursuant to the Terms

SEPTEMBER 15, 1978

Paying Agents: Amsterdam Rotterdam Bank N.V. Algencene Bank Nederland N.V. Bank Meer & Hope NV. Pierson, Heldring & Pierson N.V. in Amsterdam

and Banque Generale du Luxembourg S.A. in Luxemboring

August 14 1978

FINANCIAL TIMES

BRACKEN HOUSE, CANNON STREET, LONDON ECOP CRY Telegrams: Finantimo, London PS4. Telex: 886341/2, 883897

Teleph-ne: 01-248 8900

Monday August 14 1978

Reacting to Peugeot

IT WOULD be understandable introduce new models. if Ministers and civil servants maintain operations at the five who negotiated the Chrysler principal UK sites and to give rescue operation in 1975 felt the UK company an important aggrieved and resentful at the and expanding role within the latest turn of events. The worldwide group.
Tescue was widely criticised at Since Peageot presumably the time, inside as well as wants the timencial assistance

failure to live up to the hopes expressed at the end of 1975 should not blind the Government to the potential attractions of the Pengeot take-over. The logic of the 1975 rescue operation—to make the UK plants a main focus of interest and

Peugeot is a solidly based compassence on the Continent. BL's
passented only raguely—in the The unions lavolved. IG as about 3.5 per cent for wage necessary.

passented only raguely—in the The unions lavolved. IG as about 3.5 per cent for wage necessary.

present record One cannot see strategic dilemma—whether to forum of the TUC-Labour Party Druck and Papier, and IG settlements. ment record. One cannot pre- contract into a specialist car living committee—to the need Metall, settled at 5 per centdict how it will fare in the intensely competitive conditions giants in the volume business—each year.

| Control of the figure likely to prevail over the next becomes even more acute. If few years; the digestion of the latter choice is followed. sidiaries will be a good deal one of the established volume more testing than the absorp-tion of Citroen. But Pengeot Vet neither collaborative looks at least as likely as any arrangements nor changes of of the other big European motor ownership will, in themselves. groups to hold its place in the

its ownership in Chrysler UK development. One impes that intent or something like it. 2 which Chrysler signed in of Linwood and the other UK December 1975. This declars- plants, any more than the tion, while not legally binding. Government can guarantee the set out Chrysler's intention to continued existence of BL.

outside the Government, for from the British Government to being unduly favourable to the continue, it was be willing to American owners. Members of offer similar undertakings. The the Industrial Development Government may even be able Advisory Board felt that the to harden the commitment on scheme did not offer the plant closures antil the end of prospect of commercial 1980, since Chrysler Corporation viability. Yet the effect of the will continue to be associated Government's intervention has with the management of its been to keep Chrysler UK former subsidiaries until that alive and to enable the Chrysler time. The Government has some Corporation, two and a half hargaining cards in its hands, years later, to divest itself of but not many. If the UK part its British business on what of the deal becomes too unappear to be favourable terms, attractive, Peageof could with-draw from it. That is a possibility which Chrysler, as well Yet anger at Chrysler's as the British Government, will be most anxious to avoid. The danger in the Peugeon

take-over is that it could make the British motor industry even more of a currinal appendage to a European industry whose Chrysler's three European sub- the case for an alliance with

Yet neither collaborative solve the basic problems of the world industry.

British motor adustry. These government tries to set up as tain their close rapport with wage bargaining.

Under the terms of the 1975 problems have to do with institution to do the job and Downing Street.

The past four years of each year on a broad agreement collective bargaining, the unions start asking whether Another reason for the incomes policy in British have between Government, unions, CRI's members—many of whom national interest. As has been below 80 per cent as long as Pengeot will do better than settle around such and such change of ownership unless among the employees remains and the person Prime minister policy.

Shortly before the beginning of bear shaped so as 10 permit a porate State.

Shortly before the beginning over the state of the core of the iarantee the long-term fatur

China's global ambitions

EVER SINCE the death of with Moscow over the post-war Chairman Mao, China has been occupation of four islands at the developing an increasingly southern end of the Karilo active foreign policy, in both chain.
political and economic terms. It would be a mistake to The political aspect of the suppose that Japan has chosen equation is that China has "friendship" with China at the adopted a more overt challenge deliberate expense of the Soviet Hardly Britain's to the Soviet Union's role in Union. On the contrary, Japan's the world, while the corollary policy continues to be one of vintage year of its policy of rapid economic impartial good relations with all

treaty, for the main point of of China's current foreign policy which Salisbury-Jones is president. According to Contention was the "auti-here-cither in the protocation to the fruit is still too small to the fruit is still too small to have been knocked down by the including. On the face of it, deterioration of relations with recent heavy rains. including. On the face of it, deterioration of relations with recent heavy rains, nothing could be more inno- Vietnam which has effectively cuous. But both sides knew— driven Hanoi more deeply into the Chinese intended, and the coming But the forth- Japanese feared—that it would coming visit to Romania and Vietnam which may be tiny when set Eric Wild. Yesterday a group. nothing could be more inno- Vietnam which has effectively Japanese feared—that it would coming visit to Romania and be taken in Moscow as an anti- Yugoslavia, the two leading be taken in Moscow as an anti- Yugoslavia, the two leading soviet clause, despite all the "dissident" countries in the disclaimers which have been Soviet Union's backyard, repredicted in the disclaimers which have been Soviet Union's backyard, repredicted in the desired and the sould be sou included in the treaty at sent a challenge to Moscow told me firmly that Britain now protest. Leading the campaign plans for Moscow's new high-Japanese insistence. The para- which is unmistakable, even if produces white wines to rival is Mrs. Hennie Ward a Dutch- rise suburbs they paid little Japanese insistence. The para-which is unmistable, even if strong dox is that the Soviet Union the respective leaders go no offered in February to sign a further than the exchange of customers, in condemned church. The Reading institution, the banya, it is shadowed by a huge power similar friendship treaty with a mirror-image Chinese leader has ever Japan, with a mirror-image Chinese leader has ever anti-hegemony clause, which travelled so far West, and the would have been seen in Peking presence of Chairman Hua in vards are in Hambledon. Ramp England of being dog in the and hadgering party officials to fresh electricity. as anti-Chinese. The Japanese Eastern Europe will be a shire, says: "I cannot grow manger" for refusing to sell St. see that more are built without refused to look at it, because striking symbol of China's new enough. Do you realise that we John's to the Poles, Officially, delay. of their long-standing dispute ambitions.

overshadow any immediate prac- Fukuda, the Japanese Prime some good wine." oversnadow any intercent place Pakuda, the sepantese Filling Another of Britain's growers tical consequences. Yet when a Minister, is facing a party Another of Britain's growers country of China's enormous leadership contest at the end is Norman Cowderoy, a direct Sioners have written an size and potential strength of this year, and since his stand-tor of shipbrokers H. Clarkson, sioners have written an tising, since he started the banya proper, with its blister adopts a new international ing in the public opinion polls. He returned at the weekend incompromising letter in company on a shipe-string in ing heat and unforgettable smell

the change.

Symbolism was paramount in saddle at home. It is difficult Vineyards Association, which the Sino-Japanese friendship to see consistency in all aspects now has 200 members, and of the church shot the counter shot th

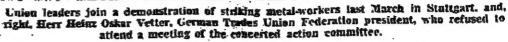
bers—and the economic pundits property are being abridged by are tired of pointing out how the (almost equal) presence of incomes policies distort the worker directors on the superlabour market.

the economy from time to time, up for the industrial strategy recommendations each Novembund social contract. As Mr. As for the machinery, the negotiators, not an imposed and educate the rest of us in Secondly there, have been ber.

Britain.

VERYONE is tired of committee. The ostensible incomes policies. Those in reason for the rupture was a government and in White- lawsuit brought by the emhall who believe Britain cannot ployers challenging the consti-dispense with them are tired of tutional proprietary of the latest devising magic formulae that industrial democracy (Mitwill restrain wages without bestimming) Act, which came sending thousands of workers into full force on July I this on the march. The unions have year. The suit, which will be lost patience with crude heard by the Federal Constiattempts to remove their main futional Court in Karlsruhe on function—to extract the best November 28, is to find out if available deal for their mem- shareholders' rights to their

visory beards of companies. There is, as a result a curious There seem to be deeper consensus developing about reasons than that, however. how the circle might be some of them reminiscent of squared: how the freedom of the tug of loyalties now evident unions to negotiate wage in in some TGC leaders. The concreases might be reconciled certed action committee has with the desire of governments frown to unmanageable proporto maintain some control over tions—more than 80 dignitaries the outcome of thousands of were sitting down together at separate bargains. Whichever the end-and the unions feit party wins the next general that the balance was thrown election, employers and unions against them. Because of its will be lavited to discuss very size, the committee had besimilar ideas for long-term re- come a drewsy talking shop as





Incomes policy: limits to

the German lesson

BY CHRISTIAN TYLER, Labour Editor

After the are wise men have Battle against Government had samed as the ment itself produces an annual according particularly saideline for 1878. So the collective has been a some and all these proposals, of course, and and all these proposals, of course, and all these proposals, of course, and and all these proposals, of course, and annual developing its policy ahead of assume that the thousands of the Conservatives, one of the shop stewards and local union of aims has emerged from the main motives is to give officials who negotiate pay with any "guideline data" that may of aims has emerged from the main motives is to give officials who negotiate pay with the conservatives, one of the shop stewards and local union of aims has emerged from the main motives is to give officials who negotiate pay with any "guideline data" that may of aims has emerged from the main motives is to give officials who negotiate pay with the conservatives, one of the shop stewards and local union of aims has emerged from the main motives is to give officials who negotiate pay with the conservatives, one of aims has emerged from the conservatives.

In It is the Conservatives, one o

they are being told, advised, demise of the concerted action seen a similar chain of events and employers about the maximum are for genuinely free collect shown time and again, it is not guided or merely encouraged to committee was that what develop, aithough the conduct mum level of earnings; which tive bargaining—have objected enough to persuade the general that surrounds the whole Ger- each year. Instead of a comman apparatus, is obliged to mittee drawn from all the vested the Germans and the present ment and which would operate nearly all do-they do not mean

parameters for the rest of the Labour Party would presumably these constraints there will be for the Government to set out form of the system. These ideas the parties read out their policy are based on the assumption that mational leaders can get the sector working parties set the sector working parties set the sector working parties set the rest of the Labour Party would presumably these constraints there will be set the system. These ideas the parties read out their policy debate. That debate begins with like to find some way of free collective bargaing, precise guidelines based on the papers. Similar complaints have a council of independent econ-guaranteeing that there can be (Although the word "free" has assessments of the select comben heard from the motions in bright in about the meetings of the so-called "five at least a gentlement's agree-been disappearing from Con-mittee. But the guidelines, distinguished the state of the sector working parties set wards and forwards and make breath new life into the more late.)

The servative policy speeches of cussed with the TUC and CBI, would be a recommendation to the parties read out their policy of the industrial strategy.

Leaving aside the question put out what are known as whether German attitudes and "guideline data" if things look Exchequer and other Ministers whether German attitudes and "guideline data" if things look Exchequer and other Ministers whether German attitudes and "guideline data" if things look Exchequer and other Ministers whether German attitudes and "guideline data" if things look Exchequer and other Ministers whether German attitudes and "guideline data" if things look Exchequer and other Ministers whether German attitudes and "guideline data" if things look Exchequer and other Ministers whether Government—from the in two stages. The first would that they want someone else, basis that the money supply will be for a Parliamentary select even the TUC, to tell them what has been far the most important would govern the public sector, all the parties and report on of pounds and pence at any one while the private sector would economic prospects in early moment. The motives of the committee to take evid-nee from "responsible" means in terms would govern the public sector will be committee to take evid-nee from "responsible" means in terms would govern the public sector would economic prospects in early moment. The motives of the committee to take evid-nee from "responsible" means in terms would govern the public sector would economic prospects in early moment. The motives of the committee to take evid-nee from "responsible" means in terms would govern the public sector would economic prospects in early moment. The motives of the committee to take evid-nee from "responsible" means in terms would govern the public sector would be allowed to return to autumn. That report would be allowed to return to autumn. That report would be allowed to return to autumn. That report would be allowed to return to autumn. That report would be allowed to return to autumn. The public expenditure the suspicion must remain the model of the colour the public expenditure the suspicion must remain the model of the colour the public expendi

James Callaghan has made Conservatives are thinking of limit. tion—to make the UK plants a main focus at interest and more integral part of a larger more integral part of a larger and international vehicle manufacturer—was sound: what was under-estimated was the financial washings of Chrysler Corporation.

On the face of it, the switch in the weakness of the wea facts of life.

on the face of it, the switch from Chrysler to Peugeot should be an improvement should be an improvement peugeot is a solidiv based companies and no significant form the mechanics of this education of the mechanics of is against power bargaining and sector pay deals occurring after towards "education" of unions those in the private sector and workers in the economic where the going rate would be determined.

> mechanism union leaders say their bargail The Conservatives start-like that would be linked to Parlia-ing will be responsible - and

growth at home has been a countries, and it has a massive You might well imagine that the more open attitude towards interest in maintaining good weather we have had this so take them seriously, parough the business dealings with the out-relations with both China and called summer would have put firm in excise duties. It is time. business dealings with the outside world.

Symbolism

Symbolism

This month the new Chinese policy takes a qualitative jump forward. Last Saturday Peking signed a Iriendship treaty with Tokyo, and this week Chairman Muna undertakes visits to Rumania and Yugoslavia. Now, there is a sense in which the China-Japan friendship treaty and the Seviet Union at this time. China-Japan friendship treaty and the Seviet Union at this time. China-Japan friendship treaty in the China-Japan friendship t

adopts a new international ing in the public opinion polls. He returned at the weekend uncompromising letter in company on a shoe-string in ing heat and unforgettable smell policy, there will be no one is currently at a low ebb, he may from a trip to Japan, and says response to this column's report to who will under-estimate the foreign policy achievement to significance of the preliminary, buttress his domestic position.

Chairman Hua, by contrast.

Chairman Hua, by contra

export it to Hamburg and the church closed yesterday, but. One of the best-loved banya

Poles apart

The continuing furthe is

Bremen?" If the growers have even if the D. of E. keeps silent, in Moscow is the Central, on a sense of grievance at the Reading's building control the second floor of a randown moment, it is not merely officer will need to be assured block. My colleague Anthony because of the weather. They that the 150 ft spire can be Robinson has been there, invefeel the Government does not demolished without showering tigating the steamier side of take them seriously, through masonry on the houses below. Soviet life, The Central is just they provide the Treasury with

It shows that in can be seen on marble slabs business there can be as much being pummelled and massaged money in preaching as in prac. Another door leads to the

My colleague B. R. Ackenhouse who has been spending his holi days in Andorra, brought back Andorran pay a lot of money

Hot line

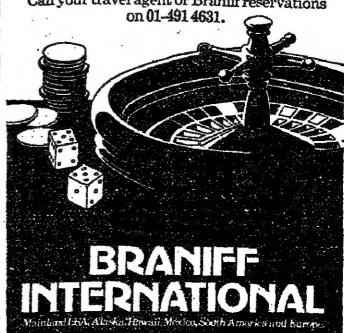
Observer

Announcing the fastest way to Americas Big country and now, Las Vegas.

Leave London Gatwick 11.45am. Arrive Dallas-Fort Worth 3.05pm (Non-stop). Arrive Las Vegas 4.45pm.

Every morning, Braniff's Big Orange 747 takes off from London Gatwick and flies non-stop to Dallas-Fort Worth, arriving at 3.05pm. From there connecting Braniff flights can whisk you non-stop to

major cities throughout the Big Country of America's Southwest, Midwest and Far-West. And, more specifically, non-stop to Las Vegas every day arriving at a civilised 4.45pm. The quickest time from London every day. Call your travel agent or Braniff reservations on 01-491 4631.



FINANCIAL TIMES SURVEY

Monday August 14 1978

Indian Industry

There is controversy over the role of large-scale industry in India's development, but Indian manufacturers and contractors are becoming a stronger force in world markets. Given the right encouragement they can make a crucial contribution to the Janata Government's social and economic objectives.

CONTENTS

Switch areas

By Geoffrey Owen

like engineering, are beginning below capacity is

public sector investment, India has created a large and diversified industrial base which pro- if the Janata Government can vides most of the country's implement its strategy general needs in consumer and capital to goods. But critics argue that development, this w goods. But critics argue that development, this wantereste a
the price for this achievement large and sustained develop for
has been the serious neglect of the products of digustry.

Irrigation, electrification road
for marry three-chariers of the building, fertilisers the the for nearly three-quarters of the building, fertilisers labour force, a proportion that programmes needed has stayed unchanged for more agricultural product than 50 years. It is the rural require machinery areas, they point out, which materials from the suffer from chronic under manufacturers. employment and widespread Moreover, there is to poverty. The growth of large in principle why the en scale industry, much of it ment of cottage indus capital-intensive in character, small-scale has made a negligible contribu- should be at the expense to the creation of new large-scale manufacturer jobs; it has been two dependent long as due regard is paid to increase in rural incomes result. ages, including imports.

preson the demands of a parrow the comparative advantages of ing from the good harvests is at In the longer term the Mr. elite in the big cities. There of each sector, one should be last being reflected in higher Government must create the Social Control of the longer term. towards the encouragement of the extent that the Government and investment goods,

small-scale industry in the vilages; this is a central feature of the new development strategy being pursued by the Janata Government under Mr. Morarii

Yet this change of suppassis can be implemented without abandoning the inclustrial achievements of the past 50 rears. Indeed it is in the interests of large-scale industry that the shift should inke place. From the mid-1960s the impetus to industrialisation stemming it is income that at a time of the past ten residuatrial when Indian manufacturers activity has been singuish, with especially in never industries most sectors operating well like engineering are beginning to make a significant impact on world markets, the whole thrust (many of which large been of industrial policy over the rescued by the Guirment) past 30 years should be increasing. Neither the country. pend on the flexibility' with higher-income groups the dustry support its general ob-With the help of stringent development of explore and pro-import centrols and massive vided an adequate spar to growth and new investment.

If the Janata Government can

क्षेत्र गणवा agriculture an

entrep

THE BUSINESS ENVIRONMENT Industrial Policy The Man in Charge Small-scale Sector Labour Relations The Private Sector The Public Sector Sources of Finance West Bengal

Distortions

and economic goals.

VIII Foreign Companies

The Kudremukh project THE AGRO-BASED INDUSTRIES Cotton Textiles

Bauxite

Construction

Fertilisers Petrochemicals

RAW MATERIALS

most managers in large-scale in- cial year. demand, but bottlenecks in sup- reasons: sions, represents a valuable tool which can be used by the undertakings.

Government to achieve its social The conditions for raising the of remittances from Indians disruption. working in the Middle East, investment programmes are apparates will suffer."

can do its job. Since the indus- standing application by a com- the principles of a planned

XVII.

this target is no longer lack of sation for political or ideological denounced, ply. There is a chronic shortage while there are frequent trust, on the part of many polion the one hand and consumers in manufacturing. The hestindian industry, despite the of power in several areas, stemarguments over where in detail ticians and bureaucrats, of the on the other. A complex managed companies in such distortions arising from indiscri- ming partly from tack of invest- the boundaries should be drawn. minate import substitution and ment but more seriously from there is a generally accepted minate import substitution and managerial and operating weak- framework in which the private distrust may be justified by the ability to make profits, with the some capital goods, nesses in the state electricity and public sectors can co-exist malpractices of certain large result that modernisation has achieved levels of efficiency and number and another public sectors can co-exist malpractices of certain large result that modernisation has achieved levels of efficiency and companies in the past, but the not taken place and a number quality which compare favourable have appeared in notice resolution in 1948. Mr.

ke, can cause severe replace it and the result would say that this apparatus has been severe replace it and the result would say that this apparatus has a message in message in

imposes a ban on expansion by. In the past six months or so trial policy resolutions of 1948 pany controlled by Tata, the large-scale manufacturers in the page of economic activity and 1956 the primacy of the largest private industrial group, certain fields, or even a computation has quickened markedly. The public sector over the com- to build a big power station in sory cessation of production. Government is similing to manding heights of the economy Western India—a sector of resolutions of 1948 pany controlled by Tata, the country: . The difficulty of re- mies of scale. As more manuproblems are bound to arise in achieve a growth in industrial has been established, but it has industry normally reserved for sector has proved almost in towards import liberalisation individual cases. Much will de production of 7-8 per cent in been recognised that the private the public sector. Similarly he superable in certain industries, is maintained—the necessary 1978-79, compared with only sector would continue to play has encouraged investment in most notably cotton textiles. which the policy is applied, but 3.5 per cent in the past finan- an important supporting role, new cement plants by some of Apart from coal and the com- the business houses In the short term the main mercial banks there have been management methods and comthreat to the achievement of no deliberate acts of nationali-mercial practices he has often

Leather

Aircraft

Defence

Electronics

Pharmaceuticals

Sugar ENGINEERING

Pace-setter in Exports

Joint Ventures Abroad

Commercial Vehicles
HIGH TECHNOLOGY INDUSTRIES

Yet there is a deep-seated dis-

conomy in which the allocation Until of resources is decided cen-towards liberalisation, Indian traily. There have already been manufacturers have been virtumoves to simplify the licensing ally free from external competifor large new units, substantial the same time the licensing increases in capacity have to be system, the restraints on expanapproved by the authorities in sion by large business houses New Delhi. There is also a wider and other controls have greatly recognition of the damage done reduced internal to several industries by price The incentives for cost reduc-

Some tensions are bound to new products and persist. Quite spart from the use of marketing skills have ideological support for the been weak. There has been public sector, the large indus- a tendency trial groups are always likely diversification within companies to be regarded with suspicion and within factories, with in a predominantly agricultural inadequate attention to econoconciling social and political facturers become exposed to objectives with the need for a world viable, profit-making private exports-

Squeezed

no means blameless themselves, are considerable. There is a have been squeezed between the motives and behaviour of "big system of price and other conbusiness." To some extent this trols has severely limited their automotive components and Shortages have appeared in policy resolution in 1948, Mr. companies in the past, out the not taken place and a number with their leading Eurocement, coal and steel. It seems Nehra said: "I have no shadow tion of a complicated apparatus be taken over by the Govern pean and American rivals. At that the margins in parts of the of a doubt that if we say 'lon to the complication of the control of the small-scale and of the that the margins in parts of the of a doubt that if we say 'lop of controls and regulations de ment But the new textile policy the small-scale end of the industrial growth rate are infrastructure are so tight that off the private sector, we can unusually favourable. India's a small increase in demand, or a not replace it adequately. We signed to inhibit the big company's fredom of action. Some appears to go some way towards have achieved impressive and the result would high, thanks in part to the flow district. All cause severe replace it and the result would come a vested interest for both

After three successive years of being planned in several of This pragmatic approach.

After three successive years of being planned in several of This pragmatic approach.

This pragmatic approach cause it gives him power, for the businessman because he can appointing, especially compared Labour unrest has been a part decade or so has been dispositing industry.

The problems will require emeralong he way has continued. The stocks of food grains. More problems will require emeralong he way has continued. The stocks of food grains have problems will require emeralong he way has continued. The stocks of food grains have problems will require emeralong he way has continued. The stocks of food grains have problems will require emeralong he way has continued. The stocks of food grains have problems will require emeralong he way has continued. The stocks of food grains have more to do with constraint, especially in the stocks of increase in rural incomes result ages, including imports.

The problems will require emeralong he way has continued. Want get the first acts of the advantage.

The problems will require emeralong he way has continued. Wantage.

The problems will require emeralong he way has continued. Wantage.

The problems will require emeralong he way has continued. Wantage.

The problems will cause it gives him power, for past decade or so has been disposed to deade or so has been disposed by industry.

The past decade or so has been disposed to deade or so has been disposed by industry.

The past decade or so has been disposed to deade or so has been disposed he can appointing especially compared Labour unrest has been a devantage.

The past decade or so has been disposed to deade or

tion, for the development of

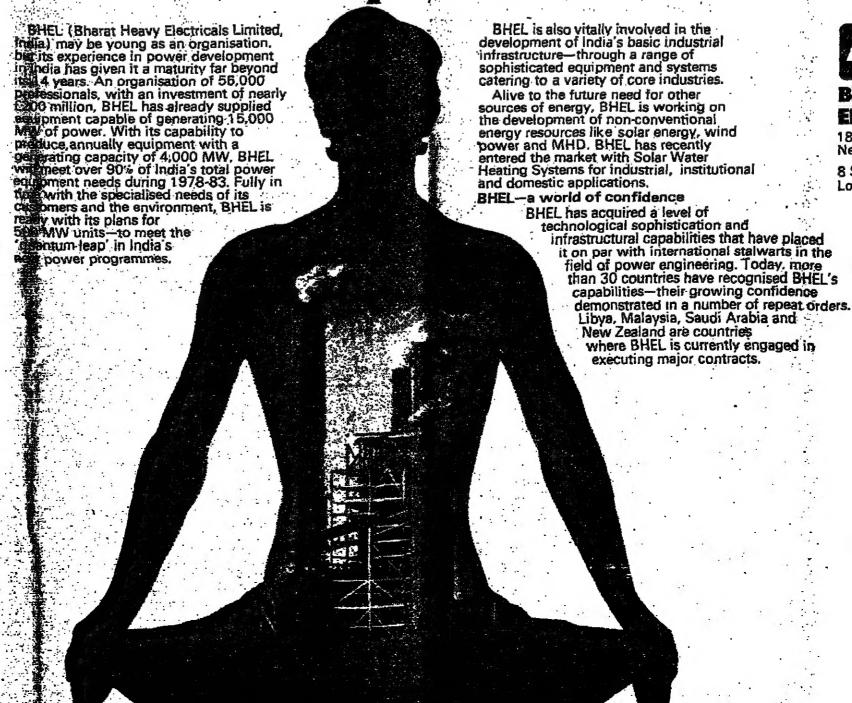
structural changes may be allowed to take place.

The mill owners, though by the strengths of Indian industry

CONTINUED ON PAGE III

we have another way to develop our inner powers

From time immentorial, India has known the way to spiritual power. Now, for the last 30 years, it has been developing another kind of inner power. The power that lies in resources like coal, fuel oil, water and the sun the power that is electricity. Since 1950, the power generating capacity in India has grown twelve-fold-to 24,000 MW. The next 5 years will see a near doubling of this capacity. A major challenge. As in the past, this new challenge has been taken up by BHEL-India's leading manufacturer of heavy electrical equipment. Backed by some of the most advanced power engineering capabilities, BHEL is today synonymous with India's power development-offering not just the widest range of equipment, but a total service for energy.



Electricals Limited

18-20 Kasturba Gandhi Marg New Delhi 110 001, India

8 South Audley Street London W1Y 5DQ



And how geography can influence its economics.

In an international project, the management of resources to economise project costs is of vital concern.

We believe we can contribute effectively to your cost reduction. By undertaking the entire design and fabrication of your pipework at our works here in India.

With over 40 years' experience in pipework engineering we command extensive resources in design and fabrication. Our highly skilled technicians fabricate pipework to international standards-workmanship that has the approval of international inspection agencies. Their skill can save you high labour costs. Besides, our strategic location-virtually the centre

of the third world-promises lower freight costs on fabricated pipework shipped from our works to your project site Why not get in touch with us. Our skills and experience assure economy without any

41 Chowringhee, Calcutta 700 071, INDIA. Phone: 24-8194 (5 lines) Telev. 021-7748 _Cables · TUBEMAKERS, CALCUTTA. Excellence through experience



More than a cloth, a feeling.

Evquisite blend of spallus, used technology and ancient art-indian cotton: Exotic, as only the East can be.

Cotton mill industry in India Svith capital investment of US. \$846 million, about 20 million faindles and 200,000 looms. produces appreally 1030 million metres of cloth Bandes it s ene of India's major torrigo exchange dather: 1



TEXPROCIL promotes the exports of cotton textiles and mada-ups, assisting foreign importers and solves their problems without any obligations.



The Cotton Textiles **Export Promotion Council**

Engineering control 5. Music 4 Road. Sembay-400 004 PHDIA 9

With determination

THE BUSINESS ENVIRONMENT

The environment in which Indian industry operates has been dominated by import substitution policies, restricted internal competition, extensive bureaucratic controls and a large public sector. But the present Government has made some moves towards liberalisation, increasing the area of the economy in which market forces may be allowed to operate.

Industrial policy

sector has been the licensing and preventing monopolie." system, started in 1951, whereby The problem of fragmentation merely for the demonstration strictly enforced and the large which they have a genuine companies wishing to start new and high costs has been rein of sophisticated skills or as houses will be obliged to rely parative advantage—particularly sides is under way, units or to undertake substant forced by indiscriminate import more on their internally gene in agro-based industries where Thus the raw materials are locally materials. tial expansion have to obtain a substitution. "A few industries technology." Its task will be to rated funds for expansion.

investment and production in ducers by international cement and oil: to make the accordance with Plan priorities, standards. While this may be capital goods needed both by scale industry (defined as indus- many others."

some ten years ago. But the in the labour force of some icensing system and the other 6m controls over the private sector. The number of people em-

Permissions

decision to invest and the start- consumption."

they make the sun shine at midnight

THE PRINCIPLES which have Many people in Government widely dispersed in rural areas a somewhat tougher policy veloped ancillary industries as national standards. Some of smided India's industrial policy now recognise that the licensing and small towns. "It is the towards the large business component suppliers and sub-them manufacture most of their since 1948 have included a system has produced unintended policy of the Government that houses. These companies are contractors. Philips India, for components in-house—partly be-dominant role for the public distortions in the industrial whatever can be produced by already subject to the instance, has 560 ancillary cause a component supplying instance, has 560 ancillary cause a component supplying instance, has 560 ancillary cause a component supplying instance, has 560 ancillary did not exist at the time sector of the structure. The Draft Fire-Year small and cottage industries Monopolies and Restrictive suppliers, 480 of which have dustry did not exist at the time private sector companies to carlier this year but not yet of industries exclusively re-all proposals for expansion or labour case a component suppliers. sector companies to carlier this year but not yet of industries exclusively re- all proposals for expansion or (about £100,000); these ancil- and specialisation, to achieve ensure that their activities are approved, admits that high served for the small-scale sector diversification require specific laries employ about 25.000 economies of scale, has been in line with the targets set our manufacturing costs have some has been extended to more than approval from the Government, becopie, of whom over 4.000 we made difficult by the licensing in successive Five-Year Plans, times been the direct outcome 500 items, compared with about but this has not prevented what directly on Philips office. System, while the lack of in-The first has involved heavy of the Government's licensing 180 previously. Big companies the statement calls a "dispro- This inter-dependence will termal competition has made it involved in such policy. "Where the demand will be prevented from expand-participate growth of large.

isl expansion have to obtain a substitution. A few little provide the basic materials induce from the central Govern-have been set up," the authors provide the basic materials ment.

of the Draft Plan point out essential for infrastructure Apart from the regulation of "which cannot be low-cost pro-development, such as steel, Significance the objectives of licensing were necessary in certain strategic the basic industries and by

overall financial results are held sents about a third of the organic chemicals.

Many big companies point out are a number of factories whose down by badly planned and labour force in the organised. The statement also includes that they have consciously de- capacity is too small by interpadly implemented investment sector (including organised decisions in the past (and by the trade), but only 24 per cent of large number of sick companies the country's total labour force. taken over by the Government). Each year industry has created t is no longer the drag on the some 200,000 new jobs, comeconomy which it seemed to be pared to the annual increase

have failed to achieve their ob-ployed in the cottage and

ing in this country is like runframework which has been
framework whi years the obstacles have been the agricultural and industrial Born in Mangalore in the large to the small, from the more than 200,000.

If takes a lot of stamma out that an improvement in Fernandes trained for the intensive, from the urban to the a pragmatic one. "I'm for an and endurance, paradoxically, agricultural output and pro- priesthood, but gave up his rural. These parae changes are expanding public sector and I'm to require the control provide employment to large to the small, from the more than 200,000.

Fernandes is a Socialist, but intensive, from the urban to the a pragmatic one. "I'm for an and endurance, paradoxically, agricultural output and pro- priesthood, but gave up his so radical and so drastic that in the reducing the control provide employment to the large to the small, from the more than 200,000. endurance. Paradoxically, agricultural output and pro- priesthood, but gave up his rural, these paree changes are expanding public sector and I'm this is one of the main reasons, ductivity requires inputs such studies at the age of 19 to join so radical and so drastic that in for reducing the concentration that in India only large comp as power, sited, cement, ferti- the Socialist Party and became the coming five years they will of economic power in the bands panies can afford to seek growth lisers, farm machinery and a trade union organiser. He so they have the resources to other indiatrial terms. At the moved to Bombay in 1950 and the overally structure of our recognises that large-scale country." cope with this obstacle race and same time "the distribution of later became president of the country." he occasional total frustration, income arising from a broad- All India smaller people get eliminated based growth of agriculture and Federation. In 1974 he led a switch of production from large important role to play. - Public leaders to prepare proposals on even ruined in the earlier related activities in the country- national rail strike, one of the companies to small will involve ownership is not the be-all and this. tages of the race." Mr. Thomas side has to provide the basic events which led to the the creation of high-cost, non- end-all of Socialism." estimates that it has faken demand for a wide range of imposition of the Emergency, viable industries which will He wants to see a profest and is regarded as one of the seven years between the industries producing articles of He was arrested and imprisoned, have to be kept alive by the signalisation of management in most effective Ministers in the

the industrial policy statement the effectiveness of the adminis-is a subject of much debate in tratical organisation particular encouraged to compete to protect and encourage small- areas, it was not essential in small-scale manufacturers: to is a subject of much debate in trative organisation, particusmall-scale manufacturers: to is a subject of much depate in trative organisation, particularly with less protection and submake the high-technology items the business community. While larly the District Industry with less protection and submake the high-technology items the Minister for Industry Mr. Canada which are now have sidy than in the past, and in rial units with a capital invest. These cost disadvantages which need large-scale product which are now being about £67.000), to prevent the able if the heavy investment by tural and small-scale industrial to promote the halanced growth of private industry had economic development of the helped to solve the country. The content and the past, and in the past, an different regions of the country unemployment problems. The which are outside the list of small-scale industries will be competition into the system, problems and problems. The performance of the pub- whole factory sector, including reserved items for the small, applied in a flexible way and partly through import liberalisa, which has been built into the lic sector, described in a later power generation, mining and scale sector but are essential for that the necessary inter- tion and partly through a love system over the past 30 years,

to alleviating rural poverty and The practical significance of unemployment will depend on

article, has greatly improved in quarrying, employs no more economic development, such as the last few years. Although its than 6m workers. This representative tools, organic and in
small will be recognised.

trols, In several industries there force.

areas as steel engineering, ship was large enough to sustain only ing in, or entering, these building, telecommunications one plant of economic size, sectors, and the role of large equipment, chemicals, petro-several plants with suboptimal scale industry in supporting the leum and mining. The instru-capacities were licenseed in the programme is clearly defined.

The Government will not process must be reversed. The development of small-scale in have already been relaxed and perform has been the licensing and preventing monopolies.

The Government will not process must be reversed. The development of small-scale in have already been relaxed and perform has been the licensing and preventing monopolies. favour large-scale industre rules of the MRTP Act will be dustries is based on products in a full-scale study of the whole

> the raw materials are locally economy in which market available—then the policy may forces may be allowed to succeed. But whether it will operate is being expanded succeed. But whether it will operate is being expanded, make a significant contribution Similar tendencies are at work in policies towards public prohibit, regulate and protect.

> > Geoffrey Owen

The man in charge

objectives. Their effect has been small industries—the so-called "A REMARKABLY intelligent, by a large majority. He was persion of industry toinhibit modernisation and ex- unorganised sector-is much pragmatic man who knows how invited by Mr. Desai to join the countryside. pansion, and they have not such higher, but their share in industic ceeded in reducing industrial trial production has been declinated in reducing industrial trial production in reducing industrial trial production has been declinated in reducing industrial trial production in reducing regions have been accentuated: workshop." "A political light-dustry portfolio. the poorest areas have become weight who has no real power base in the country." These are largely drew up the industrial 12000 workers while the rest

old Socialist and former trades rural areas. Asked how radical Fernances, could be in the

Railwaymen's He does not accept that the owned part of it, has an

of the country's output in five As Mr. T. D. Thomas chair. The present Government's a few of the conflicting comman of Hindustan Lever, has industrial policy, announced at ments one hears in the Indian put it, "obtaining all licences the end of last year, is designed business community about emphasis on the premotion of 450,000 workers. The entire designed business community about emphasis on the premotion of 450,000 workers. The entire designed business community about emphasis on the premotion of 450,000 workers. The entire designed business community about emphasis on the premotion of 450,000 workers while the rest largely drew up the industrial 13,000 workers while the rest policy statement of December comes from the cuttage and 22, 1977, which puts great small-scale sectors employing and permissions to set up any to tackle these problems, but George Fernandes, the 48-year cuttage and small industries in match industry, according to significant industrial undertaked the cuttage and policy statement of December comes from the cuttage and 22, 1977, which puts great small-scale sectors employing about emphasis on the premotion of 450,000 workers. The entire cuttage and small industries in match industry, according to the conflicting community about the cuttage and 22, 1977, which puts great small-scale sectors employing and premissions to set up any to tackle these problems, but Government's a few of the conflicting community about the industrial 13,000 workers while the rest policy statement of December comes from the cuttage and 22, 1977, which puts great small-scale sectors employing the conflicting community about the conflicting community about the conflicting community and the conflicting community and the conflicting community and conflicting community a

industry, even the privately

horizontally, so that economies be working more directly on the of seale can be achieved. He problems of unemployment and is unhappy about the definition poverty of large companies under the Monopolies and Restrictive agrees that some of the controis which constrain and delay have too much power in India of nation-building-to build and he sees a continuing need dams, roads, bridges and houses tain sectors. "If anything we have taken steps to make the sources which are lying idle. climate more conducive to

Upponent

He is a determined opponent " red-tapism " and claims that has to wait longer than three months for a decision. He points to his rapid approval, soon after taking office, of the Tata power station project, which had been Gay, ne tota the readers of Government for several years. As for the efficiency of the public sector, he believes that poverty and unemployment. ome of the companies, such as BHEL HMT and Air India, have Not looking at the wall clock. become highly efficient by world standards, "but the problem is that we have yet to develop the right managerial culture." He is giving much thought to upgrading the management of the public sector

senior managers are a real probsenior managers are a real prob-lem, but he is pressing for a "The philosophy behind the restriction of the salaries that idea, is simple. Use the tast can be paid in the private seccan be paid in the private sec-tor. He wants to encourage is today going waste to generemployee participation at all employee participation at all ate wealth for the people and levels (though his own past in the process create conditions experience does not attract him in the process create conditions for the establishment of an in the concept of Board-level representation) and he has egalitarian society." asked a group of trade union



George Fernandes

Fernandes works long hours hut when the elections were Government. But even if there the big business houses, so that Cabinet, but he says he is "perrecision to invest and the start continuous.

In when the electrons were developed in the big business notices, so that Cabinet, but he says he is "perup of production, and that half. The main thrust of the policy called, in March, 1977 he was were a cost penalty, it would be to posts are no longer solially not very happy with the
he delay to due to Government is to be the promotion of nominated as a candidate for a justified by the social and
reserved for members of the 10b, though it has its plus
procedures.

The main thrust of the policy called, in March, 1977 he was were a cost penalty, it would be to posts are no longer solially not very happy with the
he delay to due to Government is to be the promotion of nominated as a candidate for a justified by the social and
reserved for members of the 10b, though it has its plus
procedures.

The main thrust of the policy called, in March, 1977 he was were a cost penalty, it would be to posts are no longer solially not very happy with the
he delay to due to Government is to be the promotion of nominated as a candidate for a justified by the social and
reserved for members of the 10b, though it has its plus
procedures.

The main thrust of the policy called, in March, 1977 he was were a cost penalty, it would be to posts are no longer solially not very happy with the
he delay to due to Government is to be the promotion of nominated as a candidate for a justified by the social and
reserved for members of the 10b, though it has its plus
procedures. family. He wants industry to points." At this stage in India's grow vertically rather than development he would prefer to

In a long interview with Blitz, a weekly newspaper, he has out-Trade Practices Art and he lined his plans for a national reconstruction army (NRA). The idea is to organise the milindustrial expansion should be lions of the unemployed literate removed. He does not believe and illiterate into a large work that foreign-owned companies force to involve them in the tack for foreign investment in ver. on a mass scale, to reclaim fallow land and to develop the re-

It would be a volunteer army. foreign investment in this living a community life in country." command and with an "auxi-liary brigade" of consultants with specialised skills. The NRA is not government policy, but it is partly inspired by the fact no application to his Ministry have the kind of committed cadres one needs to move a whole people intot action."

"Forget what you were yesterfor the national cause, committed to the eradication of national wealth creating through your voluntary effort. not loitering in the passages. not running to the urinal to escape the drudgery of desk work, not gossiping with the girl at the next desk, not currying favour with the section companies without losing its I am talking of a revolutionary work culture being relatively low salaries paid to developed as a fall-out form our economic reconstruction efforts

HINDUSTAN BROWN BOVERI

bringing young Indians a time to be proud of

At HBB too, the determination to excel as a company and in our product field drives us night and day, to create technological achievements...quietly.

For these young indians, the payengs only when the job is done. They know what the country needs. They are determined to work towards

With determination, the smallest beginning leads to a major breakthrough.

At H38, the very same spirit moves us. To understand the courtry's needs more deepty. To fulf, them with hard work and rate hours.

Determination led us to supply the Air Blast Circuit Breakers for the country's first 400 rV Transmission one at the Spitanour Sub-station in U.P. And to make and export the country's first 220 kV. Chourt Breaker, The first 0.0 kV. 500 MVA Indoor Air Break Circuit Breaker was also made

State Electricity Boards all over the country, are using or ordering our Circuit Breakers. designed for total reliability.

In the field of power: ☐ Switchgear ☐ Furnaces □ Project Engineering ☐ Electronics ☐ Motors □ Transformers

These breakers are not only forfiling the country's power needs, but are also saving over Rs. 100 million in foreign exchange. These are just a few of the achievements of our Switchgear division. Our other divisions too

tace achieved some formidable brestinioughs. Traff & Did vision is hard at work deteloping to norrow's technology... Gov 1 Even tonal, the product development v. ng is perfecting a number of nevy products. It is the determination of mone at HBS that has made all this happen so soon. H88's tremendous growth mamentum will accelerate in the future to meet tomorrow's

r. gedis even more successfully

by making the future a better one.

He does not believe that the

Strategy for the small producer

A RECENT survey of industry in India revealed that for every Rs 100,000 invested in the small-scale sector, 22 people found jobs. This compares with six people finding employment in factories requiring eapital-investment of between Rs Im and Rs 2.5m and just three people in units requiring more than Rs 2.5m. - The survey also found that the small-scale sector created more job opportunities at a lower per unit cost of out-This is indicated by the employment value added ratio, which was as high as 20 people for every Rs 100,000 of value added in the smallcale sector compared with the all-India average of ten people for the same amount.

Since the Government is employment within ten years, the industrial developmen strategy it has chosen is based on small producers. The main objective is to decentralise and distribute the industrial base widely enough to expand employment opportunities and reduce regional imbalances in development.

The findings of the survey provide the rationals of the In the context of the relative scarcity of capital in India and a regular and sizeable expansion of the labour force, reliance on the small-scale sector is almed at creating the necessary employment genera tion. An incidental, though not unimportant, result is that provision of purchasing power in the hands of a larger number of people will stimulate demand and hence the economy as a

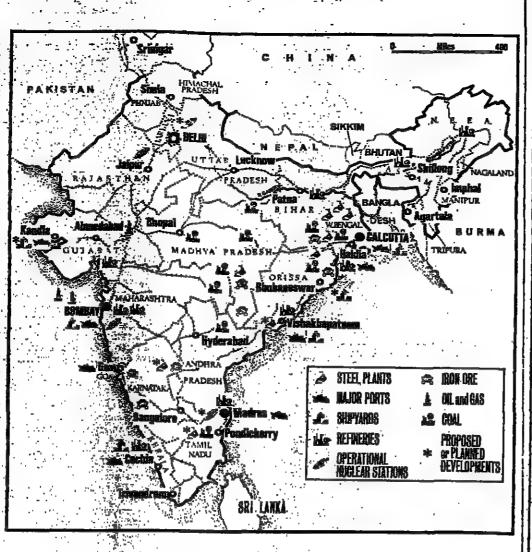
This is the cornerstone of the ruling Janata Party's industrial policy of last December when Mr. George Fernandes, Minister of industry, amounted that it was the Bron policy of this Government to switch the emphasis from large laduatries. The main thrust of the new dispersed in rural areas and small towns. It is the policy of the Government that whatever can be produced by small and cottage industries -- men only be so produced said Mr.

Keserved

Over 500 items made by industry are now reserved for the group smail-scale sector and the Mono- of Practices Acr is to be amented up to fis 100,000 (about £6,050) in small-scale industry's exports, unit. and located in villages and towns. Yet for all its key role the with a population of loss than small-scale sector needs to be Priority

public financial institutions. tion.

has been rapid. In 1972, for closed down.



INDIAN INDUSTRY III

	BASIC	BASIC STATISTICS			
Area	1.26 sq. miles	-Trade (1977):			
Population	598.1m (1976)	Imports	Rs. 51bo		
GNP (1978)	Rs. 716.82bm	Exports	Rs. 49.5bn		
GNP per capita	3 Rs. 1,200	Imports from UK	£277.89m		
Carrency: 3. Rape	# £1=Re. 15.480	Exports to UK	£384.14m		
N 19 19 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1			1.0		

tribution to export total experis. Many of the ex- A recent seminar on small

looked after carefully because it Special schemes are to be is more vulnerable to operate. The most important are the

Yet the Government's policy There is in fact an alarming. Although finance is clearly but also of "adopting is not exactly new. The small-mortality rate. In 1973 the see main problem, there are units either in the san scale sector has been given pre-Gommissioner of Small-Scale other contributory factors. There is a strong limit of the san strong of the contributory factors.

Rural CONTINUED FROM PAGE I

is equally "sickness" in small industry is of rural areas) on the one hand impressive. Export by small higher than in any other sector, and with specialised institutions units in 1976 77 yere Rs 8.7hn, the conclusion is inevitable that on the other. a rise of per cent over the there is a link between the size previous year and accounting for of an industrial unit and its over 17 pp cent of the country's murtality rate.

ports wate in relatively new pro-industry pointed to the need The major product for clearly defined criteria of identified by the Ministry "sickness" to be uniformly dustry were engineering applied to small units. It polies and Restrictive Trade goods, cotton garments, cotton worked out a set of norms or Practices Acr is to be ameniad hosery, finished leather and indicators of "health" of a unit practices Act is to be amended leafner manufactures, marine which could be prescribed, and to give this statutory force. The leafner manufactures, marine which could be prescribed, and policy goes a step further by products, woollen hosiers on the basis of these indicators giving a special place to what is aspecial and cashew shell, a composite index of performing a special place to what is giving a special place to what is dishew kernels and cashew shell a composite index of perfor-called the "tiny" sector consist. Other groups like plastic pro-mance of a unit could be ing of units with an investment ducts and processed food are in- prepared which could be used creasingly finding a larger share to diagnose the "sickness" of a

drawn up for making available tional problems and the vicessi mancial indicators, since many margin money assistance to tudes of the economy. Small official and non-official studies 'liny" units. The Industrial units have proliferated for more have shown that the most Development Bank of India has than a decade with the assist idersistent cause of "sickness"

Linking small units to larger been asked to set up a separate ance of official agencies but they or mortality relates to finance, ones has in fact been suggested wing to deal with the credit reare plagued by "sickness" to particularly working capital, as a method of promoting them quirements of the small sector, a greater degree than their since access to bank funds is This is not so much a question which is already antitled to large accustoments and official agencies and official agencies but they are plagued by "sickness" to particularly working capital, as a method of promoting them their since access to bank funds is already antitled to large accustoments. which is aiready entitled to large counterparts and often hot easy. Despite the priority of setting up ancillaries, which concessionary terms from the succumb as they are not big given to small industry, banks is the obvious way that larger concessionary terms from the succumb as they are not organize prone to impose forbidding units can farm out parts of their nationalised banks and other enough to merit official attendance prone to impose forbidding units can farm out parts of their operations to the smaller man,

ferential treatment for the past Industries made a comprehen. There are failures in respect of the is a strong body of two decades, even though the sive census of small units all such industrial operations as opinion that feels the small two decades, even though the sive census of small units and model of project viability, has been haphazard and there units covered, as many as 24.109 canagement and marketing has been no real monitoring of were untraceable and another since the units affected are its troubles. But its expansion 53.148, although traced, had small they have a smaller has been rapid. In 1972, for closed down. instance, there were 1 am small. This suggests that as many as more prone to sickness and units producing goods worth a third—and in some States death. This is recognised by Rs 2.6bn: in 1977 the number even a half—of small units that the Government, which has rose to 2.69m and the value of were started proved to be marted multi-purpose service production was estimated at unviable. The implications of granisations at what could be for the industries reserved for the small sector are, in fact, cent of the total industrial out—capital, loss of production and the past the multiplicity of facturers as suppliers of inputs and buyers of intermediaries. The small-scale sector's con-serious. If the incidence of small industrialists have only The small-scale sector's con-serious. If the incidence of small industrialists have only and buyers of intermediaries configurated them, the Government produced. as decided to shift the fucal sininstry away from state small sector are taken by the capitals and cities to district larger units and this determines iteadquarters (a district is the the location of small industries

is district industries centre the Federation of Associations of Small Industries recently pointed out, while the small volatile, there is no basic development strategy; a number provide under one roof all the sector produces as many as problem about motivation, atti- of state Governments, which savices and support needed by problem about motivation, atti- of state Governments, which savices and support needed by problem about motivation, atti- of state Governments, which savices and support needed by the sector produces as many as problem about motivation, atti- of state Governments, which savices include economic instances to work, or factory have considerable economic small and cottage industry. The discipline; agreements made, powers of their own, are also services include economic inselection has been carefully often after long and difficult going through an unstable satigation of the district's raw made, officials point out, to made into the satisfactions, are generally period.

negotiations, are generally period.

The direction of the Govern simply of machinery and equiphonoured.

The direction of the Govern simply of machinery and equiphonoured in ment's strategy, with rural simply of machinery and equiphonoured in makes development as its centropiece. Transcements for credit facility of course be to make it work requires a started and a cell for quality are many already being profoundly influenced by the degree of commitment and station, research and extension organization at all levels. The centres will have a trialists, in the public as well especially in the villages sparate wing for looking after the private sector, compliant about the lack of clear direction from the centre. The resources and skills are availed industries, as distinct factor in the promotion of the special industries. It will recent discensions within the resources and skills are availed industries. It will see that small units prosper since there is sufficient demand for the items.

Among the items, however, are many already being produced or marketed by the larger units and even the multi-nationals. This duality of dependence and competition for the providence and competition has long been a destabilising factor in the promotion of the small sector and is one of many problems still to be solved.

Balter of personalities, also problem lies in implementation, the basic units for development matter of personalities, also problem lies in implementation (the basic units for development

This experiment has just

started and there is no evidence available yet to determine its effectiveness. The scheme seems unexceptionable in theory, but much will depend on the manner of its functioning since it is the lynchpin of the move to shift emphasis to development of small industry. Trained and experienced personnel to man the centres are the obvious need and these will be drawn from any available source, notably established large industrial units. This is a sensible move and their experitse will be available to the small man although the role of the experienced executives cannot be anything but advisory since they cannot devote all their time to running the centres.

but also of "adopting" small units either in the same field

sector cannot prosper until it is provided with necessary infrastructure and that this can be done economically only by large enterprises, whether in the

dipt of development for small goods manufactured by the basic administrative unit in the mainly around them and in large cities, something that the Mr. Fernandes plans to set up avoid. On the other hand, as Government is determined to

K. K. Sharma

Everything from single process units to fully integrated grass root projects



H.O: 4, Parliament Street

LONDON OFFICE: 8, South Audley Street

New Delhi. INDIA

Telephone: 409-0922

LONDON WITT

Labour relations deteriorate

government has had difficulty of pent-up frustration" he problems but was due to Emergency. industry's progress.

last April to the high lock-out the same has begun to happen. CITU's growing support at the representation by unions on opened last month and finishes rate when he came under press with the installation of the national level is naturally national tripartite bodies, but next week.

Mrs. Gandhi's Emergency. The namely that it was a "release Gandhi Government. getting to grips with some of the workers following the Avoided

by the issues still causing to close down if more than 300 the president of the Employer's mind with Mrs. Gandhi's Controuble, though, labour problems workers are involved. The sug- Federation of India, said in gress. will continue to dog Indian gestion is that with such per- May: "It is pathetic that even There is also concern as the adustry's progress.

mission unlikely to be granted, after decades of trade union ruling Janata Party moves to Although the incidence of employers have resorted to activity in our country there has spread its own influence in the labour trouble is by no means lock-outs. Certainly govern-been no visible progress of union movement. After coming universal, workers have long ments in India put a high leadership from within the to office, the Government resorted to strike action and, premium on jobs, tending to ranks of the workers." The most convened the almost-lapsed Triincreasingly over the past take over factories rather than successful companies in indus- partite Labour Conference of

this scene seems unlikely to change, change, Employers too have not stinted in taking direct action. Last year just over half the number of roots and grouped by func.

Last month Hindustan Motors existing legislation. But the workers have kinds of problems. The Centre which simply documented the number of roots and grouped by func. They are not grouped by func. Th

IN THE past year the number marked a change from the During the emergency trade few of the country's well-estabof days lost through strikes and Government's earlier stock ex- union leaders were locked up lished unions, including the lockouts has climbed back to planation for the resurgence in and their places were taken by Association of Indian Trade levels typical of the years before the number of man-days lost, people more sympathetic to the Unions (AITUC), linked with

introduce in Parliament this But one cause of the high about the intervention of "outmonth a long-promised and lock-out rate, on which Mr. siders." This partly reflects much-delayed Bill to overhaul Varma did not dwell, is the law their own aim of preventing the whole system, offering a requiring employers to obtain chance of improvement Judging permission to lay off workers or organised, but as Naval H. Tata, but the issues still causing to along the month a long-promised and lock-out rate, on which Mr. siders." This partly reflects didluted its strength) to the point where it can claim to be employees becoming too well included its strength to the point where it can claim to be politically neutral while retaining its association in the public but the inserted of the Employee's mind with Mrs. Gandhu's Condecade, to "cherao" ("encircle- allow them to go to the wall, trial relations terms, are national and state governments.

the result of lock-outs, and the proportion over the past few for example. Nor have the extreme Left-wing anarchist unions have first of all put place. before the Emergency was

As a result unions compete State Government, anxious to gress (UTUC) and Hind Maz
much higher—the figure for with each other for the allegidays lost purely as a result of strikes is actually the lowest

sequent party rifts,

"Selecting Government, The fire Unitarity description of the Unitarity description of the Industry

Mas expected by the Fernandes. The Industry

was expected by the lowest of the instructions on pay expected applied to 1970 only. A decision Fernandes. The Industry

was expected by the lowest of the industry

was expected by the lowest of the instructions on pay were

the of workers in plants all its effort to prove that it can year 11 unions were claiming various pieces of mined by a secret ballot), and before the Parliamentary sets—

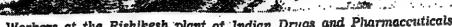
"merely guidelines," claiming agent if the lowest of the payment and to restore Calculate's recognition at the national labour legislation to be incore as chief negotiating agent if the lowest of the

the Moscow-oriented Communist Party of India, and the Indian National Trade Union Congress Employers also complain (INTUC), which has diversified bout the intervention of "out-

ployers. Disputes can be lengthy, perhaps lasting months on end, and occasionally violent. Short of another emergency, times hear existing data are some their plants and have tried to to recommend a comprehensive industrial relations law that their plants and have tried to to recommend a comprehensive industrial relations law that their plants and have tried to to recommend a comprehensive leaders.

from critics. His line Janata government nationally, viewed with some concern by a the government has already con-





coalminers at the national level. Bengal, clashed with a more have occurred. Janata-associated Labour Conference in the first be required to form a union in of it.

This point is not lost on the tunes changed. Changes in the of Hindustan Motors settle the cedure since 1968 (it is sup- on the issues which produced less than 50 per cent. Government. Mr. Ravindra relative strengths of unions are dispute. Police had to patrol posed to happen blennicity) to no agreement. It was expected

tion or even industry—a total associated with the Merxist each of the groups represented, them through inviting them to new Bill will stipulate that a would accept only an addition to first confrontation with the of five trade unions represents party which now rules in West Out of this two developments the reconvened Tripartite minimum of ten workers will the books payment, not instead Indian working class occurred real minimum of ten workers will the books payment, not instead Indian working class occurred real minimum of ten workers will the patients of the participal level. Beneal classed with a page have consumed to the participal level. Beneal classed with a page have consumed to the participal level. places employing up to 100 By last month the Governyears has rarely been under a unions sheken off the close grouping of Naxalite workers themselves more firmly on the Secondly, the Janata Indus workers, and a minimum of 10 ment had still to announce its unions—Mr. Varma, the Labour third. With the total number of association with political parties determined to upset production is bour map. Ton years 320 four trial Relations Bill which the per cent where more than 100 decision on bonus payments for Minister, Mr. Patel, the Finance mandars lost in 1977 graphly. man-days lost in 1977, roughly the same at 21.21m as in 1975, the same at 21.21m as in 1972—the 1974 figure

1973 and 1972—the 1974 figure

1973 and 1972—the 1974 figure

1973 and 1972—the 1974 figure

1975 the same at 21.21m as in 1975, the same a

Varma, the Labour Minister, expected as soon as State the plant for several days to establish their membership. On to introduce the Bill in Parlia- also be drawn up which will in September of income and negotiate, in a settlement at drew attention in Parliament Governments change hands, and help keep the peace.

A list of unitair practices will another year pending a review to describe the plant for several days to establish their membership. On to introduce the Bill in Parlia- also be drawn up which will in September of income and negotiate, in a settlement at the outcome hangs the key to ment in the session which apply to both employers and wages policy based on the Bharat Heavy Electricals. High-

month's pay) which Mrs. Geochi one was, the outery grew had ended during the Emer. because the choice had not been be implemented. gency. This was payable whether made in consultation with the afford it or not, a matter of co-operate.

The unions dispute all these hundreds of millions of pounds was being withdrawn. wage, in order to head off any other things) that bonuses be Government move to abandon replaced by long-run benefits centre.

strikes is actually the lowest over the country, and the govern and to restore Calcutta's recognition at the national labour legislation to be incor- as chief negotiating agent if the sion end ahead of the status of the Shootalingam porated into the new Bill. But figure is above 50 per cent. A holiday season, when the lump report and the strike, was 1976 emergency figure is disabout the "inter-union rivalry" vened and sent along its fallour. The Government has ordered it has also been because the "composite" negotiating agent sums would be most welcome.

This point is not lost on the times changed Changes in the of Hindusten Motors settle the cedure since 1968 (It is support and the strike was about the "inter-union rivalry" vened and sent along its fallour. The Government has also been because the "composite" negotiating agent sums would be most welcome.

Government has had to arbitrate would be necessary if support is Government permission was averted.

The unions have since agent which produced less than 50 per cent. widely expected, but only for The unions have since exer-A list of unfair practices will another year pending a review cised their reasserted right to

> existing disagreements is un. The Bhoothalingum report, most important is what in India labour front. When the group

some sort of spread-out pension issues became confused and

before the strike was due four Government Ministers met the

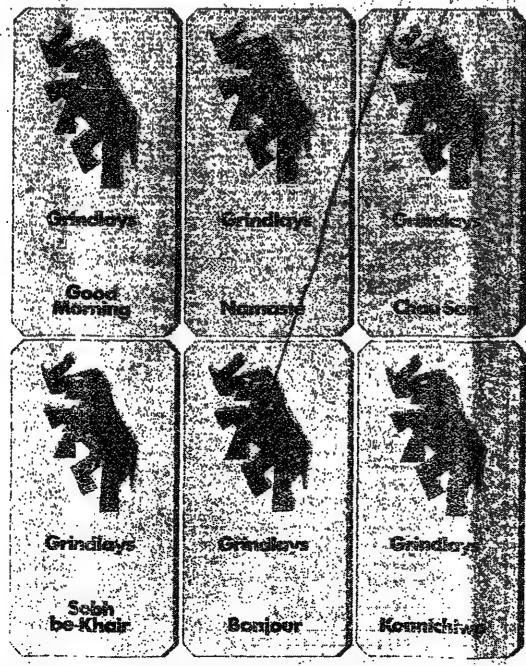
the outcome hangs the key to ment in the session which apply to both employers and wages policy based on the Bharat Heavy Electricals, High-representation by unions on opened last month and finishes employees.

Bhootalingam report of last level intervention has also been employees. necessary to head off a strike threatened by coalminers for centain. In any case other more which the Government insists July 17 and an earlier work-tommediate issues have come to was a study and no more, has rule by Food Corporation of dominate the labour scene. The proved controversial on the India employees. Whether such called "bonus." The Janeta was originally chosen there was under a reformed regime of Government restored the 81 per a huc and cry because no industrial relations is not easy cent annual bonus (a 18th unionist was appointed. When to predict - much obviously depends on how readily it can

> The need for high-level interthe company concerned could unions. The unions refused to vention nevertheless illustrates how delicately balanced is afford it or not, a matter of co-operate.
>
> This had an indirect impact the point where even with elsewhere, illustrating how fragmented unions industrial action or the threat of it can confused. In a separate development workers. Nor was it acknowned to deferred wage. And it was to apply for one year only. over guidelines issued by the have achieved stable industrial Bureau of Public Enterprises relations in their factories, and points. Some demand that the detailing what was and was not clearly the main responsibility bonus be offered more widely, negotiable in the forthcoming for avoiding strikes and ensomething the Government has pay round. The unions had couraging a constructive disexisted because it would cost decided their negotiating power logue between management and undreds of millions of pounds was being withdrawn. to pay a 13th month to all public When the Bhoothalingam panies. But efforts at this level sector workers. Some also insist report then came out a few days that it be called a deferred later recommending (among within an orderly collective that it be called a deferred later recommending (among bargaining framework, which

> > Chris Sherwell

Grindlays A name you can bank on around the world



Banking on Grindlays in India means more than taking advantage of the Group's network of branches in some 35 countries worldwide. It means benefiting from Grindlays' 140 years of banking experience in India itself. And it means working closely with our specialists in such fields as export finance, foreign exchange, eurocurrency finance and corporate banking. They take full advantage of the regional knowledge and support provided by over 200 Group branches and offices located in most of the major world markets. This teamwork provides the right financial products and packages at the right time.



Head Office: 23 Fenchurch Street, London EC3P 3ED.

INDIA: Principal branches a 90, Mahatma Gandhi Road, Bombay 400 023 a 19; Netaji Subhas Road, Calcutta 700 001. 'EP Block, Connenght Circus, New Delhi 110 001 a 378, N.S.C.B. Road, Madres 600 001 a Mission Road, Burgalore 560 002 a Briston Road, Cochia 682 003.

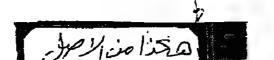


	——Ip——		——II	In
	Total (m)	strikes lock-outs	Public private sector sector	central State sphere sphere
1970	20.56	14.75 5.81	2.06 18.50	2.94 17.63
1871	16.55	11.80 4.74	2.25 14.29	1.93 14.61
1972	20.54	13.75 6.80	3.35 17.20	1.80 18.74
1973	20.63	13.86 6.76	3.39 17.23	2.92 17.70
1974	40.26	33.64 6.62	12.09 27.17	11.36 Z8.90
1975	21.90	16.70 5.20	2.15 19.75	1.55 20.35
1976	12.75	2.80 9.95	0.87 11.83	0.37 12.38
1977*	21.21	10.54 10.68	3.90 17.31	1.89 19.12

* Provisional. N.B. The totals may not necessarily tally due to rounding off of figures



Mr. Moraji Desai, Prime Minister of India.



The private sector

FEW weeks ago Mr. G. D. Birla, one of the leading industrialists in India, issued an extremely gloomy statement about the future of the private sector. "The present Govern-ment," he said, "though not socialistic, still cannot get rid of the bad features of socialism because of the legacy from the past. Unless this pattern is changed drastically, there is no scope for the growth of the private enterprise which alone can promote industrialisation.

Mr. Birla pointed to the numerous rules and regulations which inhibited expansion, to the extreme difficulty of raising new money on the stock market

from private sector business there is a fairly well established came particularly from three men. He pointed out that his framework which gives the pricommunities, the Parsis, Gu-Capital Ministry had received a large vate sector plenty of room to jeratis and Marwaris, and they

This exchange illustrates, in apparent lack of rapport be want to grow even further." tween the business community and the Central Governmenta lack of rapport that has existed long before the Janata

EMPLOYMENT IN THE ORGANISED SECTOR IN 1977

	Public sector	Private sector
Plantations, forestry Mining, quarrying Manufacturing Construction Public utilities Transport and communication Trade and commerce Services	474 749 1,222 1,010 554 2,465 607 6,739	837 120 4,157 82 35 71 459 1,082
Total	13,819	6,854

savings in the hands of Govern- the view held by many politi- neurial tradition. Several of the which lend money to big comment financial institutions, part clans and civil servants that the big houses have diversified into panies should take a more active of whose loans were convertible large business houses have en- a host of industries, a practice interest in their management into equity. "The general im- riched themselves by dishonest which is in part the result of It is true that some houses tend

Controls

engines told me; "they can supply the local farmer with a cheap product which is reliable enough for his purposes, and we find it difficult to compete with them." The development of the diamond polishing industry, mostly situated in the areas of Gujerat, is mother remarkable example of nitiative by local entrepreneurs.

ه کوامن المول

The big houses are frequently ttacked for what is called amily management and Mr. leorge Fernandes, in particular, has called for a much greater legree of "professionalisation" ives; he has suggested that the public financial institutions into equity. The general impression all over the world," he said, "is that the investment climate in India simply does not exist. This view is not unjustified."

At about the same time Mr. George Fernandes, Minister of Industry, was insisting that the investment climate was excellent. He said that the facts were quite contrary to the expressions of gloom comings from private sector business.

complain about since they have It was a Parsi, Jamshedjee Tata, policy and Restrictive Trade tain conditions. This exchange illustrates, in grown fastest; the more they who built India's first steel Practices Act. When they want an exaggerated form, the grow, the more freedom they works in 1911; the company to expand their operations or The MRTP procedures are reworks in 1911; the company to expand their operations or the mail procedures are rewhich he started, Tata Iron and to start a new venture, they garded by some houses more as the lack of mittee, implies a recognition of pressures may force this or some its expansion, continues to per- Company Law Board. Normally overcome than as a positive disconsistency in Government the feat of the controls and continues to per- Company Law Board. Normally overcome than as a positive disconsistency in Government to nationalise form better than the public they are free to expand in the incentive to expansion. The fact policy which businessmen justi- plethora of controls places an a major company or industry. sector steel plants created after "core" sectors of industry, but is that the big companies have flably resent. Private sector unnecessary burden on indus-just as Mrs. Gandhi nationalised Despite Government controls the Second World War. But in other areas, if their pro- the financial resources and the investment, they say, cannot be try. Yet another committee, the the banks. But present trends businessmen feel that their contribution to the country is large Indian house. Tata, are by no means confined to the tail to the interests of mediumdeliberately misunderstood and Birla, Thapar, large houses. Even without the and small-scale entrepreneurs, then to do so. In the past thought to earn a fair profit is a
misrepresented, that profit is a
misrepre preneurs who took great risks tinued to do well. To some ex-cessions), small-scale manufactory may be referred to the Monober of applications from the trois have been counter-productive, state governments and other stantial industrial undertakings ingenuity in finding a way-round highly competitive in certain Practices Commission for full plants because investment in they have stimulated investment levies—have had a distorting restrictive and more promotional of feelings of envy at among developing countries them unorganised," a manufact the Commission was asked to needed; and only the large of essential products. While he prices and on the pattern of pumps and diesel examine a proposal by a large houses can afford to undertake is not prepared to let the law of investment.

Tribution to the economy and a gradual move towards a frame-applications from the trois have been counter-productive, state governments and other work of rules which is less incommendation in finding a way-round highly competitive in certain Practices Commission for full plants because investment in they have stimulated investment levies—have had a distorting restrictive and more promotional.

The controls are tribution to the economy and a gradual move towards a frame-applications from the trois have been counter-productions, their turers have investment in they have stimulated investment levies—have had a distorting restrictive and more promotional.

The controls are tribution to the economy and a gradual move towards a frame-applications from the trois have been counter-productions from the trois have been counter-productions from the trois have been counter-productions from the trois have been counter-product duties, sales taxes imposed by gradual move towards a frame-application for the particular forms and other trois have governments and other applications from the trois have been counter-product duties, sales taxes imposed by gradual move towards a frame-application for the particular forms and other trois have government and trois h



Cutting rice in Southern India.

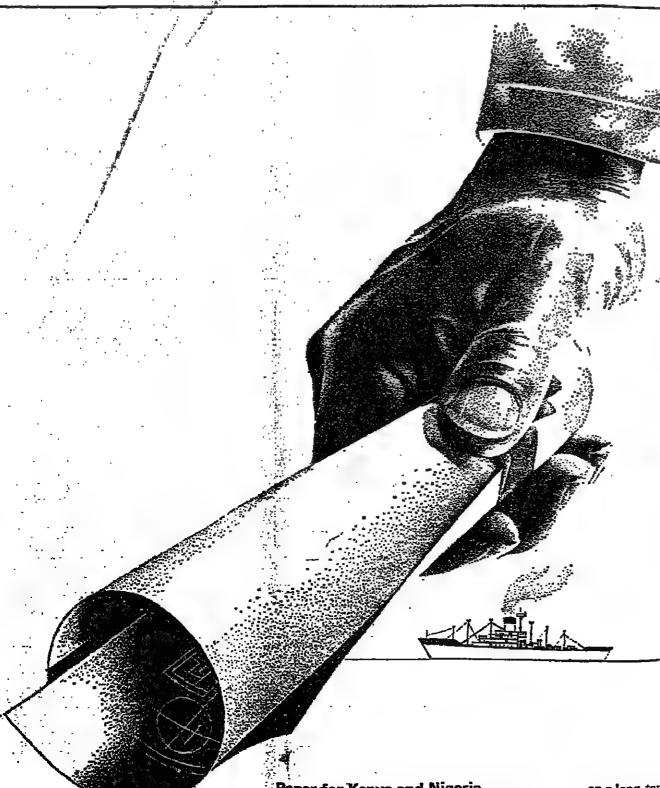
number of applications for exexpand. There are minor varia- continue to carry great weight. All companies with a capital the additional capacity was allowed to expand. pansion from leading business tions from time to time, but the in the business community, of more than Rs.200m (about needed. The proposal was event-buses, including the Birls com-big companies have least to especially the last of the three. £14m) are subject to the Mono-ually approved subject to cer-

company to manufacture cigar- it. The price controls were the jungle prevail he is trying. To expect the present or any ette-making machinery; since changed to make the investment to move towards a more flexible foreseeable Indian Government there were already several attractive, and even a company system, using the Bureau of to proclaim the virtues of established manufacturers, the with a large share of the market. Costs and Prices as the monitor- capitalism—and—the—market question at Issue was whether Associated Cement, is being ing agency but without inter- economy is clearly unrealistic.

Cement

fering in every price decision. The strong desire for a more

The same need for simplifica- egalisrian society is bound to tion applies to other controls create tensions, as the present the Government's decision to controversy over top people's The Government's decision to salaries illustrates. There is a set up a committee on controls lurking anxiety among business-



ORIENT exports complete consultancy service in paper production

...from feasibility studies and supply of technical know-how, to plant start-up, operator training, financial and management assistance

At Orient Paper Mills, paper technology has come a long way. Today, besides meeting internal demands and actively participating in the growth of the Indian paper industry, Orient also exports paper technology, machinery, allied equipment, stores and chemicals to developing countries.

Paper for Kenya and Nigeria Panatrican Paper Mills, Kenya's largest paper mill,

is now in production with full assistance provided by Orient, including technical and management services during erection, construction, start-up, operational phases and final commissioning. The other co-sponsors are the Government of Kenya and the International Finance Corporation. With an annual production capacity of 45,000 tonnes and an expansion project under way, Panafrican Paper Mills will meet the growing needs of Kenya's

Nigerian Paper Mill is yet another example of Orient expertise abroad. Owned by the Federal Government of Nigeria and managed by Birla Brothers of India

on a long-term agreement, Nigerian Paper Mill is also being technically assisted by Orient in its expansion project—from 40 tonnes per day of paper from imported pulp to a capacity of 200 tonnes per day of pulp and paper.

Developing expertise

Orient has a full-fledged integrated Pilot Plant for pulp & paper, where technologists are actively involved in further research to discover new ways and means of utilising conventional and non-conventional raw materials for producing different varieties of papers. Evolving and introducing up-to-date methods of pollution control—all of this, to develop a comprehensive expertise for use at home and abroad.

To start a paper mill, consult India's leading paper manufacturer



CC/OPM-2/78

Punjab National Bank, one of India's leading banking institutions, with a network of about 1450 branches throughout India and correspondents all over the world, is eminently equipped to handle your banking needs

PNB deals in clean and documentary collections, documentary letters of credit business, mail and telegraphic transfers, finance for U.K. merchanting trade, issuance of travel facilities etc. Also, it provides consultancy advice on trade promotion and business opportunities

In London at: MOOR HOUSE 119, London Wall, E.C.2 Tel: 01-628 9410/9419, 01-638 8045 Cables: PUNJNATBAN, London E.C.2 Telex: 885747 - PNBANK G In Wolverhampton at: 41, Queen Street, Wolverhampton WV13 JW Tel: Wolverhampton 21173

Cables: PUNJNATBAN, Wolverhampton

Shortly opening a branch at Gravesend puntab national bank

the nama you can bank upon .

THERMAX INDIA THE PROCESS HEAT PEOPLE

designers, manufacturers of standard packaged units to complete turnkey projects for process heating, waste heat recovery, waste incineration, water and effluent treatment and post harvest treatment



 Water Tube Steam Boilers Coil type-oil/gas fired Straight Bank typecoal/oil/gas fired. Drum type—coal/weste heat/ liquid fuel fired. Capacities upto 50 tonnes/hr and pressures upto 150 kg/cm²

Thermic Fluid Heaters in capacities upto 6,000,000 kcal/hr and temperatures upto 390°C.

 Hot Air Generators/Drvers For temperatures upto 400°C **WASTE TREATMENT EQUIPMENT**

Waste incinerators Effluent treatment systems. WATER TREATMENT EQUIPMENT Pressure filters. Base Exchange Softeners. Dosers, Ion Exchange Demineralisers, Deserators, Reverse Osmosis Systems.

Thermax (India) Private Limited Chinchwad, Poona 411 019. Cable: Thermax

Phone: 83303/83062/83550

Improved performance in the public sector

THE PUBLIC sector of industry and influenced by the Public manager told me, "but we are and their capacity has been consists of some 140 enterprises Enterprise Selection Board, a long way from that situation." under-utilised. This applies, for applies particularly to steel, advantage which public sector that the public sector has undertaking employing more chemicals. Except in a few private companies is that senior dividuals, in companies such as use its machinery for purpose sectors such as coal mining positions are genuinely open to Hindustan Machine Tools and for which it was not designed state control over the command- all candidates, whatever their the Oil and Natural Gas Com- has been expensive. ing heights of the economy has background. not been achieved by nationallsation. But the list of public Dominant sector undertakings includes a number of companies, especially which have been rescued by the

management has improved.

Analysis

Investment Board in 1972 has ference system, model worth imitating by withdrawn. developed countries such as the

Instil tighter management or dispersion of anger of political and bureaulinstil tighter management cratic interference. Most mandisciplines and to upgrade the
agers consider they are doing
quality of financial and economic
analysis in the public sector. So per cent of their decisions years ago. In the early tool production, but aims to
pricing policy has been reformed. In fertilisers, for of one public sector enterprises, or of one public sector enterprises, broadened its range into mill. Competing for apports is seen
assuming normal inputs of raw decision at all, for fear that it
materials and power, should will infringe some rule or that,
achieve a 12 per cent after tax if it turns out to be wrong, it
return on net worth. In cement,
will lead to
accusations of
steel, pharmaceuticals and other
corruption,
areas more rational pricing. Formal and informal interpolicies have been introduced, ference from Ministers and
Appointments to senior politicians still seems to be
Ministry of Defence Production to the
relevant Government set the policies and left it to the
department, but he is willed Roard in curry them out," one
left it to the
department but he is willed Roard in curry them out," one
left it to the
department and to upgrade the
agers consider they are doing was substantial order from the making a substantial order from the making as substantial order from the making as a substantial order from the making as considered that it
leadership it has
strongly opposed by the private
assubstantial order from the world's itenite consultation for factory of accuration of the machine tool from the world's leading is seen as a strong to the factory per cent of the machine tool for the machine tool factory of strong is seen as the world's leading is seen as a way of testing senger cars, for sa

past has been their lack of between accountability and Government has stepped in to Government from financial diffi- attention to marketing. Operat- interference is elusive. in a protected market in which During the middle and late supplier, these companies were down companies or factories change in market conditions,—
1960s the performance of the under no pressure to sell; they which have no chance of paying had run into a financial crisis,—
public sector came in for a great merely had to produce. While their way. There have been Often the responsibility lies with
deal of criticism inside and a degree of complacency in this some investments which are now the former owners (including outside the country. The had respect there has nevertical to be milked. outside the country. The bad respect still exists, there has recognised to be mistakes; one foreign ones) who have milked choice of investments, inade been a distinct change for the persistent loss-maker is Bharat the company dry and ignored quate project preparation, better. Where competition does Ophthalmic Glass, which makes the need to modernise or to management, not exist, as in oil distribution, ophthalmic blanks. In one or diversity. inexperienced management, not exist as in on distribution, openinamic planes. In one of the necessary disciplines have to two cases the Parliamentary the centre—these and other be self-imposed. But some of Committee on Public Enterweaknesses produced poor the companies now have private prises have recommended that financial results. In some cases sector competition in much of undertakings should be closed in West Ben financial results. In some cases sector competition in much of undertakings should be closed in West Ben financial results. there were production short-their business. For example, down, but the political obstacles ment is the owner of three large; comings which held back the Bharat Heavy Electricals faces are formidable. The nearest the formerly British-owned engigrowth of the economy. While competition in all segments of Government can come to an ad-neering companies -- Jessop, these weaknesses have not been its business except for turbine mission of failure is to merge Braithwaite, and Burn Standard ance has greatly improved in the sector companies, because of ful one. monopoly suppliers in certain sharpened their competitive tions about industrial growth their legacy of old-fashloned sectors, admit that in the last edge. The new import policy five years the quality of should also have a salutary

As an indication that the public sector had "come of age," it was decided last year The creation of the Public to withdraw the price preled to a more sophisticated Government undertakings were analysis of investment proposals required to buy from public WITH THE Government's sophisticated machine tools.

remain. One is the ever-present machining process.

Co-operates with Cross in export instruments.

Som of the Bureau has helped to danger of political and bureau. HMT has come a long way markets and this hapbrought in Machine tools now account for £66m). tighter management cratic interference. "Most man-since it first started making a substantial order from Iran, less than half HMT's business. The setting up of HMT was

the relevant Government set the policies and left it to the department, but he is guided Board to carry them out," one

with a total employment of 1.5m whose recommendations are There is a feeling that the instance, to the Heavy Engineer-people, out of a total labour rarely ignored. Despite low bureaucrass are more interested ing Corporation at Ranchi, set force in the factory sector of salaries compared to the private in matters such as how much up with East European aid in some 6.5m. Most of these under- sector (especially at the top takings were deliberately levels), the public sector has takings of the indian shall be public sector has the company spends on enter- the late 1950s and geared to a takings of the indian shall be accounted as part of the i created as part of the indus been able to attract and retain in the real problems of the making capacity which has not trialisation programme; this executives of high calibre. One business. India is fortunate in materialised. This is a large

mission, who have been strong
The conflict between commerenough personalities to resist cial and social considerations is interference, cut through the most acute in the case of lame red tape and build up highly ducks, or, as the Indians call number of companies, especially

One of the worst aspects of successful enterprises. But, as them, companies which go sick in textiles and engineering, public sector enterprises in the UK, the right balance On numerous occasions the

engineering and enterprises have over some large attracted some outstanding in than 20,000 people; the need to

Interference is clusive.

A second problem is the vir panies which, whether through

In West Bengal the Govern-

THE PATTERN OF INVESTMENT

at the sno of tato.tt	Amount (Rs m)	Per cent of total
Steel Chemicals and pharmaceuticals Coal Heavy engineering Minerals other than coal Petroleum Transport equipment Medium and light engineering Consumer goods Agro-based enterprises Service enterprises	28,643 20,762 12,771 8,023 7,042 6,897 3,354 2,158 1,782 115 19,402	25.8 18.7 11.5 7.3 6.4 6.2 2.0 1.6 0.1 17.5
	110,965	100.0

they were often the dominant that impossibility of closing mismanagement, supidity or a TOP TEN PUBLIC SECTOR ENTERPRISES IN TERMS OF SALES (1976-77)

**	W2 E
Indian Oil Corporation	26,705
Fand Corneration of India	211127
Windustan Steel	19,789 .
State Trading Corporation	10,138
Minerals and Metals Trading Corporation	5.221
Bharat Petroleum Hindustan Petroleum	3.114
Bharat Heavy Electricals	4,702
Air India	2,723
Shipping Corporation of India	2,588

completely corrected, perform- generators. Some of the public a sick company into a success—whose original business had plant and low labour products (often with foreign whose original business had plant and low labour products companies because of fellower to the public a success—whose original business had plant and low labour products (often with foreign whose original business had plant and low labour products (often with foreign whose original business had plant and low labour products (often with foreign whose original business had plant and low labour products (often with foreign whose original business had plant and low labour products (often with foreign whose original business had plant and low labour products (often with foreign whose original business had plant and low labour products (often with foreign whose original business had plant and low labour products (often with foreign whose original business had plant and low labour products). been the supply of wagons to tivity, is a formidable task; technical collaboration) and last few years. Even private the recession at home, have Some of the earlier public the railways; they employ a total since retrenchment of labour is thus increase sector businessmen, while they been obliged to compete for sector undertakings were set of some 36,000 people. Turning virtually impossible, the main throughput, resent having to deal with export business and this has up on optimistic assump these companies round, with priority is to introduce new A not dissimilar situation managing suppliers in certain sharpened, their competitive.

Hindustan Machine Tools

severe recession of 1967-70 when be justified on commercial and to speedler procedures for sector enterprises if their stress on labour-intensive smallobtaining decisions on them.

The Bureau of Public Enterprises, an agency set up under private suppliers, subject to factory of Hindustan Machine foreign technology is mainly looked for business which targets, set out in the last the Ministry of Finance, has extended to more stable than annual report, include an annual report. prises, an agency set up tinger private suppliers, subject to factory of Hindustan Machine foreign technology is mainly looked for business which targets, set out in the last the Ministry of Finance, has satisfactory quality and Tools, one of the leading state confined to certain technology is mainly looked for business which targets, set out in the last the Ministry of Finance, has satisfactory quality and Tools, one of the leading state confined to certain technology is mainly looked for business which targets, set out in the last confined to certain technology is mainly looked for business which targets, set out in the last confined to certain technology is mainly looked for business which targets, set out in the last confined to certain technology is mainly looked for business which targets, set out in the last confined to certain technology is mainly looked for business which targets, set out in the last confined to certain technology is mainly looked for business which targets, set out in the last confined to certain technology is mainly looked for business which targets, set out in the last confined to certain technology is mainly looked for business which targets, set out in the last confined to certain technology is mainly looked for business which targets, set out in the last confined to certain technology is mainly looked for business which targets, set out in the last confined to certain technology is mainly looked for business which targets, set out in the leading state confined to certain technology is mainly looked for business which is attained to be more stable than annual report, include an annual targets, set out in the leading state confined to certain technologies would be more stable than annual report, include an annual targets, set out in the leading state confined to certain technology is mainly looked for business which is attained by would be more stable than annual report, include an annual report, include an annual targets, such is attained by would be more stable than annual report out labour, but to improve purpose machines and transfer The company is engaged in a ments. In 1976-77 HMT made.

Some serious problems accuracy and efficiency in the lines for mass production; HMT project for making metallurgical pre-tax profits of Rs80m (about £5m) on sales of Rs907m (about

That's what it takes to be No. 1 in the commercial vehicle industry of Indiathe world's 10th largest industrial

indegenhas! Developed by TELCO (Tata Engineering and Locomotive

Company Limited)
over the last twenty-three years.
At its Engineering Research
Centre which continually strives to improve upon its own improvements.
To add to the acknowledged high quality, safety and durability of Tata Diesel Vehicles and Spares, manufactured and assembled at TELCO plants at Jamshedpur and Pune.

That's what it takes to put well over 3,50,000 Commercial Vehicles on the road...

And in over 40 countries around the world.

A wide range of vehicles. Trucks. Buses. Tippers, etc. For a wide range of operations. At mining construction and project sites. And cross-country operations.

Indegenius. That's the total vehicle technology— products, processes and professional expertise developed in India, By TELCO.

TATA ENGINEERING & LOCOMOTIVE CO. LTD.

148 Mehatma Gandhi Road, Bombay 400 023 INDIA, *India has been acknowledged as the world's 10th largest industria in statements issued recently by the U.S. Practisent.



From Fertilisers to Pain-killers.. From Paper to Petro-chemicals.



If it's a process plant BHPV is in it

Chamicals, Drugs an

Soon, BHPV expects to enter a number of crees: Liquid sitregen plants and cryogenic presents for treasportation of frozen bull asmen Individual strick, freezing equipment for

Teday, BHPV has the expertise











Vessels Limited A Government of India Undertaking Visakhapatnam 530012, India

Opening up markets to foreign competition

t GOVERNMENT & OFFICIALS tion. At the same time pro point with some pride to the cedures for importing raw fact that at a time when most materials and compo of the developed countries are been simplified and partially adopting protectionist measures liberalised, with provision for India is taking steps to open up automatic increases in allowits internal market to foreign able imports to provide for competition. The partial liberal-expansion and price increases, isation of imports has three. The next logical step would main objectives, as explained in be some reduction in the level the Draft Five Year Plan : first, of tariffs. Most hasic raw to transform part of the materials and machinery are country's foreign exchange subject to a tariff of 45 per reserves into resources for cent, although a few items were development, "exploiting our brought down in the last budget; ability now to take make-or-buy duties are generally 75 per cent decisions on economic grounds, on intermediate goods and 120 secondly to reduce industrial per cent on processed consumer CATERPE an element of competition in certain sectors of industry whose Suggested costs; and thirdly to "provide goods. 276-77 efficiency may be suffering on account of excessive protection."

are gradual and controlled, ment that the 45 per cent duty There is no question of exposing on capital goods aids immeces Indian industry as a whole to the sarily to production costs and tifull blast of international com- discourages petition, "We are applying auti-biotics," an official in the They have suggested that where Ministry of Industry com-mented, "but we must be care-ful not to kill the patient." approved after due scratiny, the Pful not to kill the patient," approved after due scruting, the Nevertheless the new arrange- tariff should be substantially ments announced in the last reduced, even in cases where few months and now being similar items are produced implemented mark a significant domestically. change in India's trade policy and create genuine opportuni-

Under these arrangements 14 industries, mainly in priority sectors the leading companies allowed to close down." But the and market prospects good. industries, mainly in priority sectors. The leading companies allowed to close down.

Sectors such as power general have no serious qualus about political and social obstacles are tion, fertilisers, cement, and all coping with imports. They obvious. "You in the UK are exploration, are permitted to accept that the years of blanket not prepared to abandon old that the size of the foreign decrease is partly explained by the surface which the Government.

G.O. table. In these cases all bids will be scrutinised by a technical committee in the Ministry of Industry, but the assumption is that if the price and delivery countries, offered by a foreign supplier is officials be superior, it will be preferred; the fact that an indigenous supplier can produce the equip-ment will no longer be decisive. it arises.

29.8 15.4 Eastern Europe 21.4 . 12:5 Americas. 19.8

25.4

Middle East

Asia, Oceania

6.7 FOREIGN TRADE Main experis-Main imports Engineering goods 55.4 Machinery and trans-29.3 Leather and leather manufactures Metals, ores and scrap Apparel, hosiery Cotton textiles

15.6

PRIORITY INDUSTRIES (illers. (Those which may invite global tenders for capital goods) DET W Fermisers. Newsprint and paper.

Basic technical material for pesticides and weedicides. Power generation, transmission and distribution. Mineral exploration, mining and beneficiation. Petroleum exploration and production. Petrochemicals up to the stage of polymers.

Manufacture of professional electronic components.

Waste disposal and efficient treatment. Viaterials handling projects at ports.

Coment and coment products.

PUDIIC CONTINUED PROM PREVIOUS PAGE

ould arise in the bicycle indus-17 where several large private rector plants have run into rouble, though in this case the problem has arisen less from a hange in market requirements han from new competition rom small-scale entrepreneurs n Northern India: By the use. of cheap labour and extensive

' Several industry associations The moves so far announced have pointed out to the Governinvesti

Parts of the engineering industry have demonstrated their ability to compete in inter- areas which the liberalised leather goods, where India's engender complacency over their ability to compete in inter- areas which the liberalised leather goods, where India's engender complacency over

national markets and in these import policy will create will be competitive position is strong exports. In 1977-78 the growth protection have led to bad industries like shipbuilding, a exchange reserves does not the curbs which the Government habits and that they used the Ministry of Commerce official officials believe that the procedures will enable them to dear with this problem when

Year Play state confidently that these industries, such as cotton "industries which are basically textiles, India's share of world unviable or cannot stand up to trade has declined while that of Ilmited

port equipment 100.8 Fertilisers Gems, jewellery from ere

100 per cent export oriented industries.

GROWTH OF PUBLIC SECTOR I	.NTERF	RISES.	
(figures in Its m)			
livestment	1972-73 55.710	1976-77 110.970	
Turnover	52,990 830	145,420	
Pre-tax profit Return on capital employed	5.1%	4,760 9.7%	
Number of employees	9.310	15.8m	

sub-contracting they have from the private sector. While theoretsee management changes schieved far lower production their weakness stems partly The take-over of sick units by sosts than the older, integra from Government policy to heathy companies is being ed plants which were built to wards the textile industry, encouraged A number of applied plants which were built to wards the tertile industry, empirized A number of applicant to the come which is now being revised, callons for such mergers have soments in-house. There is some of the mills are almost bein submitted to the Govern-peculation that the Govern-certainly beyond redemption.

Mr. George Fernandes, Min williagness of the Government corporation to take over the ister of Industry, recently to let lame ducks die will blder factories and modernise announced a new policy towards depend on the speed with which hem, perhaps investing in the sick industries which involves new jobs are being created to nore advanced types of bleyeld a careful screening of possible about the displaced workers. For which there is a growing tealist poet of viability and to work out of employment has been the vet there is a growing realise pect of viability and to work out of gisployment has been the stinn that policy towards sick remedial action which falls overfiding need. "If we can companies has to be more select short of full-scale nationalises achieve a steady industrial ive and that some of them will tion. The financial institutions, growth of 10 per cent a year," have to be closed down. An which include a special agency a cital servant remarked, "we interesting test case will be the for lame ducks, the Industrial can be more relaxed about handling of the National Tex Reconstruction Corporation of allowing market forces to more than 100 mills taken over temporary financial support and



is shown in the accompanying stimulus of import competition, told me, "and we are certainly or at least the threat of it, to not going to follow an import keep them on their toes. There policy which causes plant is anxiety about dimping closures and unemployment on especially from East Embpean a large scale." India's approach to imports cannot be divorced from indus-

ment will no longer be decisive.

In addition, a number of the new policy in past, been based on the prinou open general licence (OGL), some sectors, such as prinous ciple that anything which can some items remain banned or and polyester fibres, it appears that anything which can the principle of the list includes that the profitability of domestic should be. This has brought that the profitability of domestic should be. restrictly of machine tools, producers has been squeezed, about a remarkable degree of textile and garment-making Fears have been expressed that self-sufficiency and a highly machinery, leather-processing those sectors where profitability diversified range of industries. equipment, and the like, which is already depressed by slack But there has been little are required by Indian manufacturers for factory modernism ing could be damaged by a industries in which India has a sudden upsurge in imports. Will comparative advantage, either the authorities permit combecause they are labour-intended by 1971-72 1976-77 go under?

Western Europe 28.3 28.8 The authors of the Draft Five materials, or both. In several of Eastern Europe 21.4 18.4 Year Plat state confidently that these industries, such as conton

international competi-other developing countries, certain specified product notably South Kores and Taiwan, has moved shead. The question now is whether, with the improved availability of foreign exchange, India can afford a less rigid policy which in imports pays more regard to the specialisation.

Such a policy would imply, 87.9 among other things, that manu-41.1 facturers who achieve inter-28.4 national competitiveness should 22.9 be encouraged to expand, even 20.3 if this means increasing their share of the domestic market; they must also be permitted to earn sufficient profits at home to support the development of export business. This applies particularly to engineering which should certainly contione to be one of the fastes grewing items in India's export trade, but which suffers from some weaknesses in relation to scale of production and product

More generally, a policy based on international special isation would imply a selective approach to export promotion, with special emphasis on such tems as clothing, jewellery and other handlerafts, marine profinished leather and

domestic market. While these may have been justified as a means of checking the rise in domestic prices, they illustrate one of the criticisms which has been made of India's export policy-its lack of consistency. In a recent submission to the Government the Federation of Indian Chambers of Commerce and Industry lied for an integrated export strategy which should include the following elements: stability of policies: credibility as a steady supplier of quality products in accordance with the buyer's specifications: reasonable profitability; enlargement of the

provision of reasonable facilities in the shape of cash compensatory support; and adequate port and shipping facilities. The evolution of India's trade policies will be profoundly affected by developments in the world aconomy. There anxiety about the growth of protectionism, particularly in the U.S., where it could affect not only such items as textiles, garments and footwear, but also Unless these tendencies are checked, resistance to import liberalisation within India is to locate a suitable supplier. ensure prompt delivery, arrange of exports was only 5 per cent bound to grow and the process buyer-seller meetings, provide

production

G.O.]

INIIIA.

The one stop for a whole range of chemical-based quality products.



And CAPEXIL offers its free package of services to assist overseas buvers.

When you are searching world-wide for chemical-based products, it helps to know that there is one supply source which can cater

Indian chemical-based products—of international

India offers a wide variety of chemical-based products of international quality, Ranging from rubber products like automobile and cycle tyres and tubes to rubber and canvas footwear, from paints and varnishes to glass and glassware, from plywood products including wooden furniture to paper and allied products. Plus ceramic products, minerals, refractories, fertilisers, matches, explosives and numerous other items.

And for any or all of these items, there is just one contact-CAPEXIL.

CAPEXIL assists oversess

up-to-date market information, of even arbitrate after a sale. Moreover, should buyers choose to visit India, CAPEXIL will plan the itinerary, arrange personal meetings with suppliers and render all possible assistance.

As for adherence to specifica-tions, all chemical-based products compulsorily undergo strict preshipment inspection.

Today CAPEXIL has the confidence of buyers in the USA. UK. West Germany, France, Australia, Iran, Iraq, Egypt, Japan, developed and developing countries. A fact confirmed by the 160% growth in exports of Indian chemical-based products during the last 5 years.

The next time you need a chemical-based product, go about it the easy way. Come straight to CAPEXIL



CHEMICALS & ALLIED PRODUCTS EXPORT PROMOTION COUNCIL
World Trade Cantre
14/18, Ezra Street,
Calcutts-700001 Indie,
Cable: CAPEXIL Teles: 021-2488
Phone: 28-7733/34/36

A survey on industria

activity Greaves' engineering, manufacturing and marketing activities cover the key areas of Indian industry, contributing to the growth of vital sectors.

Anticipating customers' needs in advance, Greaves have brought to India the world's best technology.

Over the decades, Greaves have built up technical and marketing skills which are backed by reliable supply base and expert advisory service.

Through its various divisions, Greaves serves such important sectors as aeronautics, electronics, defence, mining, petrochemicals and fertilizers, steel, shipbuilding, and many more.

Aviation, Electronics and Defence

Greaves' Aviation & Electronics Division is the sole concessionaire in India for internationationally famous manufacturers. Greaves have brought sophisticated technology to India for aero engines, avionics, flight instruments, radar, simulators, navigation and tele-communication

The division played a vital role in securing the licensing arrangement between the U.K. principals and Hindustan Aeronautics Ltd., for the manufacture of aero engines and aircraft systems which helped India to become self-reliant.

Greaves' associate company, Greaves Foseco, manufactures and markets a range of foundry fluxes, exothermics, heat insulators, metallurgical additives, mould

dressings etc. which are used extensively in steel production. Greaves also marketa wide range of steel from commercial quality to highly alloyed steel for various

Diesel Engines

Ruston power to every

and marine.

Mining

application, from agriculture

and construction to industry

Now, Greaves Lombardini

Limited in collaboration with

Greaves' full-fledged Mining

range of machinery for every

Greaves supply earth moving,

international.

stage of mining, including turnkey project implementation. From

Greaves own manufacturing units

come diamond drill bits, diamond drills and rock cutting roller bits.

construction and mining

machinery through their associates both local and

Division offers the widest

world-famous Lombardini Motori,

Italy, has set up India's largest diesel engine

This has opened a number of new avenues for

plant to manufacture the world's most

advanced diesel engine, the 'Lombardini'.

original equipment manufacturers in India.

Greaves introduced the world famous Ruston

0

Proctor Engine to India as far back as 1889.

In the late 30's, it began production of

Ruston engines in India and since, then, Greaves have introduced

Greaves' Project Division in association with its West German principals, Hoesch Handel AG, put up India's. first spiral welded pipe mill at the Roukela steel plant.

industrial applications.

Shipbuilding

Greaves' activity in the marine field covers the merchant marine as well as the Indian Navy.

Greaves' Marine Division is one of the major sources for supply of a wide range of marine engineering equipment and also for technical advisory services. The range offered includes marine propulsion units, auxiliary gensets, marine gearing units, deck auxiliaries, communication systems and radar-

Petrochemicals & **Fertilizers**

Petrochemicals and Fertilizers are other vital areas where Greaves' products are known for proven performance. David **Brown Radicon industrial** gearboxes, Fluidrive couplings, variable speed units, boilers and thermal equipment are widely used.

Now,-Greaves have directed their sales efforts towards overseas markets, with Greaves International Limited growing into one of India's leading export houses.

Greaves international not only exports all the products manufactured by the Greaves group of companies, but with the help of Greaves' extensive network in India, it makes available to overseas customers every type of Indian engineering and non-engineering items.

Products marketed by Greaves International guarantee the same high quality for which Greaves have won a world-wide reputation.

Greaves Group:

Manufacturing Divisions: Greavestool Division, Bombay. Greaves Light Engineering Division, Bombay. Greaves Nasik Plant, Nasik.

> Marketing Divisions: Aviation & Electronics . Construction, Mining and Drilling . David Brown . Greavestool . Industrial Equipment . Lombardini • Marine • Metals • Oilfield . Ruston . Textile

Subsidiary Companies: David Brown Greaves Ltd. Drayton Greaves-Ltd. Greaves International Ltd.

Ruston & Hornsby (India) Ltd. Associate Companies:

Crompton Greaves Ltd. Greaves Dronsfield Ltd. Greaves Foseco Ltd. Greaves Lombardini Ltd. New India Fisheries Ltd.





GREAVES COTTON & CO. LTD. Registered Office,

Dr. V. B. Gandhi Marg. Bombay 400 023. U.K. Office James Greaves & Co.

GPO Box 406, Brazennose House.

Brazennose Street, Manchester,

The Rane Group contributes to the safety and reliability of India's road transport

Engine Valves, Tie Rod Ends, Steering Linkages, Steering Gears, Brake Linings, Laminated Springs, Air-Filters and Clutch Discs are the products manufactured by the Group.

All manufacturing facilities have been established in association with renowned British manufacturers of motor components.

The Rane Group

Engine Valves Limited Rane (Madras) Limited Rane Brake Linings Limited Jonas Woodhead and Sons (India) Ltd. Îndia Filters Manufacturers Private Ltd.



32, Cathedral Road, Madras-600 086 INDIA ...



4th All-India Machine Tool Exhibition 9th-20th February, 1979



ndian Machine Tool Manufacturers' Association

Problem guidelines for the financial institutions

sible that there is some sub- the need for finance is increased decision can be taken earlier. stance in the charge that the ing.

The portion of the loan to be private sector does not plough but there are two major and back an adequate proportion of related reasons why industry its profits for modernisation and itself hesitates to borrow from expansion, particularly in section in the public financial institutions.

The portion of the loan to be the portion stance in the charge that the ing. tors where the incidence of The first is the threat that there "sickness" is high. Yet industrialists can hardly be blamed for borrowing from the public 2:1. This is now being financial institutions. The examined by the Government capital market is relatively undeveloped in India and a large proportion of savings are convert loans into equity.

The Government and the financial institutions feel that the convertibility clause are agencies with the result that market borrowings by private companies are virtually not clause be inserted in all loan.

The first is the threat that there is a the threat that there is a loans in the examined of the debt the clause in agreements for ment of eighteen per cent over the the previous year. Yet this is financial institutions to sick "

The Government and the financial institutions feel that the convertibility clause are available from the removal of the clause in agreements for the clause in ag companies are virtually non- clause be inserted in all loan extremely high profits so that

Indian banks in the private sec. formulation. clearly discernible mutual and to monitor their progress, convertibility clause to 1,236 old made little headway. A working alcoholic beverages, cigarettes because of the exercise suspicion between them and Secondly, and more important, and new loan agreements group which examined its and other consumer cooks. that must be done. established industry, even though their primary role is industrial development.

A constant complaint against the financial institutions used to be delay in processing applications for loans. Procodured delays remain and are inevitable in cases when accountability is to the Government and the reserve bank which issue guidelines and norms the institutions must follow, although recently processing of applications has become speedier. The institutions are also limited by having to function in accordance with priorities prescribed for them. Under the Janata Government. for instance, they must cater increasingly to the needs of small-scale industry, although

Reserve Bank's credit policy which despite recent relaxations still calls for relatively high interest retes on most loans (the only exceptions being those to the "priority sectors" and selected "sick" industries); In the context of the large expansion in money supply and consequent pressure on prices during 1976-77, credit policy during 1977-78 continued to be directed towards restraining monetary expansion to the maximum extent possible,

This is sought to be done manner that does not inhibit investment and promotes production and exports while increasing supplies of industrial raw materials by exports. The aims have not always been realised — money supply is now ngain rising alarmingly because of the rapid growth of bank

agreements where substantial these can be used to replenish

for industry. There are four convertibility clause on two II actual figures are a guide, being the apex body. loans have been ruled out for done, major term-lending institutions main grounds. It enables them there is some truth in this. Up Despite the removal of the 13 industries including cars, "seed

The "soft loan" is operated More important, ever since assistance is given. With this funds for further industrialisa by the Industrial Development Mrs. India Gandhi nationalised goes the right to nominate tion. Only rarely will it be used Bank of India (IDBI) to assist the 14 largest controlled to the la the 14 largest commercial banks directors on the boards of the actually to intervene in decision modernisation and rehabiliin 1969, public financial insti-manufacturing units concerned or policy-making, especially if tation programmes of the tutions have a near-monopoly of so that the financial institutions the concerns are well managed, cotton textiles, jute, cement, The actual exercise of the that they do not have a suffi- industrial Finance Corporation tion prevent them from become yield on equity. The public against excessive use of the main term-lending institutions ing a major source of finance financial institutions justify the convertibility clause.

promote its growth. It is pos- effective demand is rising and of substantial expansion the sible that there is some sub- the need for france is increased. That the clause has been a actual disbursement was just rural and village industries "as

the clause in agreements for totalling Rs266m, an improve. stituting automatic and capitalmeasures are expected.

The financial institutions

PRIVATE INDUSTRY, particularly the Government — they feel they should derive the involving a total assistance of functioning in the first 17. The guidelines say the larger groups, is often because of other forces operations benefits of profits made by use criticised by spokesmen of the ing in the economy and conforment for using funds tinuation of the tight money given to them by the public policy is one of industry's main financial institutions solely to complaints, especially now that promote its growth. It is posseffective demand is rising and of supersystem while in the solution at total assistance of functioning in the first 17. The guidelines say the involving a total assistance of functioning in the first 17. The guidelines say the severised the option in just 64 had neither taken off the ground importance to employment cases and had nominated nor gathered momentum in generation, particularly through directors on the boards of 687 respect of the cotton textile and village industries. The Amount for ensure that industrialists this is sufficient sanctioned to 59 cotton mills in required to ensure that this period was Rs462m but adequate finance is provided to

themselves point out that their Such a classification adda overall functioning is limited by difficulties in the way of leading the fact that they cannot operate to established industry since the on the basis of purely com- financial institutions have to mercial norms, even though perform a delicate balancing act cultons have a near-monopoly or so that the mancial institutions privately, executives of the sugar and certain engineering mercial norms, even though perform a deficate canadidate localistic descriptions.

Privately, executives of the sugar and certain engineering mercial norms, even though perform a deficate canadidate localistic description.

Privately, executives of the sugar and certain engineering mercial norms, even though perform a deficate canadidate localistic description.

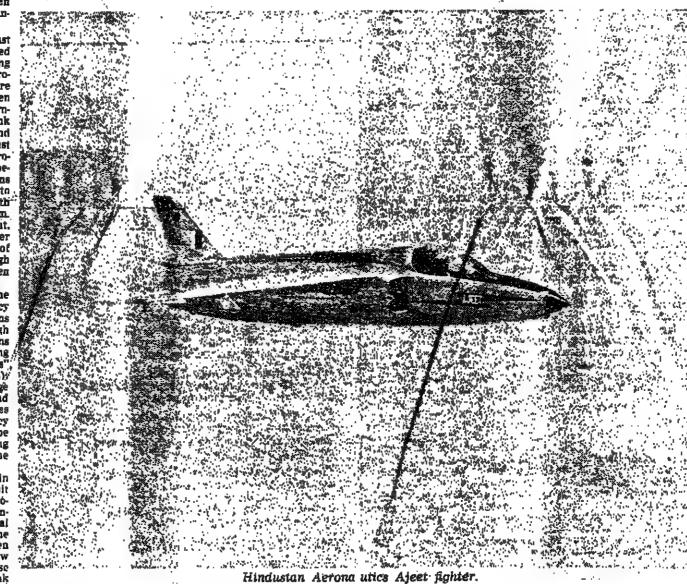
Privately, executives of the sugar and certain engineering mercial norms, even though perform a deficate canadidate localistic description. maximum profits. The govern- they must carry out norms their operations are confined option to convert loans into the nature of the frictions on foreign participations, while resided the project and the expected in itself is a major safeguard (ICICI). The three are the tion prevent them from become the project and the expected against excessive use of the main term-lending institutions. in the country, with the IDBI cement, sugar, essential drugs motional role by encouraging and electricity generation, Term new entrepreneurs. The last is loans have been ruled out for done, for instance, by the capital in the public sector (and some to prevent industrial units from to the end of September last the convertibility clause, however, air-conditioners, refrigerators, scheme "of the 1DBI but its specialised agencies). There is going in the wrong direction financial institutions added the the "soft loan" scheme has TV sets, toilet goods, cosmetics, implementation is more difficult

There are separate scheme for providing rupeo resources industries with import licences for balancing equipment, technology, consultancy services and drawings and design. In addtion, foreign lines of credit have been opened with the help of the International Development Association, the "soft loan" affiliate of the World Bank.

The Industrial Finance Corporation has started an interest-free "risk capital" foundation "to provide "seedcapital" for new entrepreneurs and technologists. The IFC also subsidises costs of assignments taken up by the technical consultancy organisations. There are schemes for maiding marketing studies for Indiana, promoting and subsidies are available for exploitation of indigenous tech nology and a host of other schemes designed to meet the needs of new Government policies.

All these still form just a small part of the operations of the financial institutions but the demands they make on them in terms of time and resources is not thought to be proportional to the benefits emanating from them. It is possible they will But the industrialists feel that for the present they prevent the institutions from performing their traditional financing the most projects that will viable

K. K. Sharma

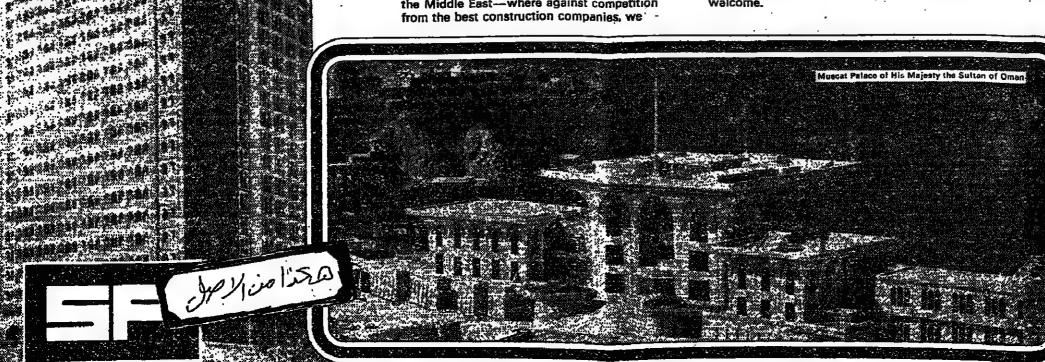


Whether it's a five-star hotel, a Sultan's Palace, a hospital, a chemical factory, a fertiliser plant or a housing project -- we have the expertise and experience - to handle any turn-key construction project anywhere

Over the last 100 years we have not only pioneered the construction industry in our country but spread our wings to Muscat and the Middle East-where against competition

Muscat Palace complex of His Majesty the Sultan of Oman-and completed it in time.

The multiplicity of projects carried out by us over several decades has resulted in the building up of expertise in numerous aspects of the construction industry. We proudly offer this expertise for any construction project and proposals for joint ventures would be



SHAPOORJI PALLONJI & CO. (PVT.) LTD. International Operations Division, Engineering & Construction Contractors, New India Centre, 17 Cooperage Road, Bombay 400 039 India

INDIAN INDUSTRY IX

Regenerating West Bengal

"This reality of a mixed too has been rubbed in by un-sconomy has to be accepted," kind critics—and even a "sick" Mr. Basu explains, and the Left industrial unit cannot be taken Front is trying to get "whatever over without New Delta's ex- LICENCE good" it can out of it. How- press approval. Yet the indusever, those who know today's trial houses appreciate the economic circumstances: in businesslike wards business (it is rather big its Chief Minister, a harriste ss in West Bengal since turned out of 20 large or "monopoly" unionist, but of plain necessity—or in a realistic way possible. the unemployment problem, proving particularly frustrating especially among the educated is the chronic power shortage, who have solidly voted for it, which prevents industries from and this will not be possible utilising their productive capa-

Recession

tributed to West Bengal's indus- capacity has become a little untrial stagnation and decline, but realistic at the mome the two inremost are a pro-

The industrial boom in the that played an important part, maintenance sandards. as of massive private invest. When any intropid business Front Ministry's industrial in other industrially advanced ment, especially by the much executive suggested to the Chief policy, there would be no prob States like Haharashtra, stalligned multinationals in the Minister that he should hand lem about the Government by and large, industry various sectors of the State's over the power plants to private throwing its full weight behind in West Rengal have found Front Ministry is perceptive could we'k efficiently, Mr. Basu. The main goals of the Left enough to understand that in good hymouredly pocketed the Front's industrial policy are: enough to understand that in good h possible without the active and the wholehearted co-operation of Inci

into the final licence after a condition. definite project report is sub. Another example of the Chief (e) gradual expansion of the letter of profuse congratulation mitted indicating the technology Minister's good faith in seeking public sector, and (g) increas to the Chief Minister. The to be adopted, sources of tech- the help of the private sector—ing the control of the actual pro-improvement of course did not nical collaboration and the pat, and he in turn helping it to discretie, the workers over last long, but it was clearly tern of financing, etc.) to intro- utilise the State's productive the industrial sector. duce a much-needed diversifica- energy better-is the backing Dr. Mitra explains that these business is not hostile to the tion into the State's stagnant he has given to the Calcutta are long-term goals, but that in Marxista. Industrial structure. A special Electric Supply Corporation's the immediate future the

ONE OF the first things that the trooles industries and mother to be set up near Calcutta. The investment from any quarter. Marxist Left Front Ministry in to set up pharmaceutical units corporation is not only a private MRTP West Bengal did on coming to have been created to promote sector enterprise but an Indo-nationals included, as long as power was to establish a close joint ventures with private part. British company which is these conformed to the rapport with local chambers of ners as a matter of policy. Even foreign-controlled. Its existing national laws governing such commerce. At the same time it in the proposed petrochemical plants are very old and have investments. The Left Front

ploring all other evenues. This An industrial advisory rather un-Marxist approach council has been set an with seemed strange to most political local industrialists given appro-

Bengal Ministry cannot choose very limited power in the matter of industrial develop

without a full bleeded induscity to the extent their would trial revival in the state. — like. The jute and entire tring

The Left Front Minist

industrial economy. The Left- enterprise so that the stations them. dustrial regeneration on any affront and asked the indus- (a) reversal of the trend worthwhile scale will not be trialist to help revive some of towards industrial stagnation; the business houses already the largest number of ailing increased employment in the the cordial relations between operating here.

units of any State in the industrial as well as agricultural industry and the Government

exhorted the working class not venture; shares will be issued been considerably derated for Government's only condition is to strike needlessley but to the public to the examt of their age, yet the corporation that the MRTP houses and only as a last resort after as at least 26 per cent. The strike is a good record as a pro-multinationals should reinvest has a good record as a pro-multinationals should reinvest ducer of electricity.

Its lease or licence, which was transfer them alsewhere. to expire in 1980, was extended was, after all, ruling in but one matters relating to new invest the corporation for its new them the remittance of profit o of the States of the Indian union ment and the problems of local venture is that if the company a new project in West Beng which has a mixed economy, industries are freely and mean is to work as a private under is not and the constitutional limits ingrally discussed taking up to the end of this stage. tions of a State Government being what they are, the West
the State Government has really work well. Calcutta and its business in the country as a
Reneal Ministry cannot should be state Government has really work well. surrounding industrial belt are whole is what these companie desperately short of powera 240MW plant would be a great

Government delayed unneces purely an import substitution West Bengal think that the forward way in which the Left sarily in issuing a licence West effort, no marketing problem in Ministry's overt friendliness to Front Government especially Bengal took up the matter at the forecast. The company would highest level and eventually the be glad to reinvest its profit bureaucrats of New Delhi from this project in a suitable has been trying cleared the project They knew way given the opportunity houses 17 have their presence tackle the State's major scome well enough that the 240MW here) is not a matter of tactics, mic problems in the most thermal project was quite soundly conceived and urgently Plant way Hobson's choice. The Front Its limited considerional needed and that finance for it is committed to the solution of powers apart, what his been was fully assured including a contribution from the World contribution from the World Bank. Yet the sheer habit of the same vicinity to make a bureaucratic inertia and delay variety of engineering products had held up the project for nine including metal pressing equip

Government licences for expan. It too would be glad to bave diversification A variety of factors have con- situation talk of new industrial altogether new schemes that business houses would increas, this particular project. longed demand recession for arranged to import power from responded to Mr. Basu's gesture Delhi. However, the business-the products of the engineering neighbouring Orissa to make up of co-operation by submitting men in West Bengal, including groups—beavy—engineering the gap, but resilising that the schemes involving an invest those representing the MRTP units particularly—which form real solution lies in an emission ment in the State of Rs 3bn houses and multinationals, are units particularly—which form real solution lies in an efficient ment in the State of Rs 3bn houses and multinationals, are the backbone of the industrial utilisation of the States two (£200m) on new projects as well happy that a Marxist-led structure, and secondly, a generating capacity has solute as on substantial expansion and Ministry is taking a benign marked fall in industrial invest- the advice and suggestions from diversification. These projects interest in their affairs, in an ment which over the years has industrialists on how to opin are being accruinheed by the obviously constructive spirit to been seriously affected by a Government for final approval. too that labour has not been peculiar political rivalry among Dr. Asoke Mitra, Finance encouraged to become difficult The industrial boom in the the labour unions, a fearth of Minister, says that so long as and that law and order in the 1960s was not so much the result the labour unions, a fearth of Minister, says that so long as and that law and order in the whole uniable investment, although spares and very unsatisfactory investment proposals conform industrial belt is on the whole to the main goals of the Left satisfactory

> ling private units first (b) arresting the growth of unentally. West Bengal has employment and providing for In fact it is a measure

observers. Chief Minister Jyoti priate representation alongside by the former regime up to the things, MRTP houses and the Basu justified it, however, on representatives of the Govrn-year 2000. Mr. Basu's justifica-multinationals in the State do the grounds that the Left Front ment and workers, where all tion for extending support to not disagree on this point. For

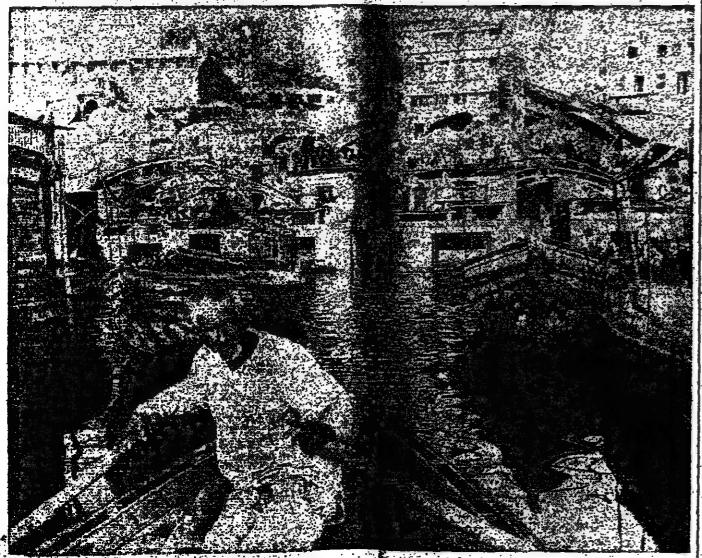
> collaboration, with a capacity Therefore, when the central tapered roller bearings. Being

ingly need. For their part the . The main hurdle is posed by

all the grave forebodings about

On its own the State Covern—country, not all of them worth sectors; (c) encouraging the here that when there was an ment has taken out a letter of seviving. But the Ministry growth of small and cottage appreciable improvement in the intent for a petrochemical com-expects business houses here to industries; (d) lessening the power situation for a few days plex in Haldia (a preliminary give it a helping hand in bring-stranglehold of the monopoly the president of a leading licence which will be converted ing back the units into a healthy houses and multinational groups chamber of commerce quite on the economy of the State; hastily and prematurely sent a

P. C. Mahanti



Original equipment manufacturers of generating sets, tractors,

knew... Kirloskar Diesel Engines set a standard of excellence that has made this Indian engine internationally famous.

discovering what a large part of the world already

America is now

Every Kirloskar engine is a product of intensive search and developmen Each has been put through the most punishing conditions with the strictest quality control tests. From the design stage to shipping, Kirloskar engines measure up to your toughest remmements so they'll perform beyond your requirements.

dumpers, concrete mixers, road rollers and industrial equipment specify

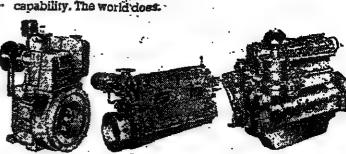
Kirloskar Engines because they trust their quality. These rugged diesels are acclaimed the world over as reliable prime movers... in agricultural, industrial and construction applications, power generation and marins purposes.

Kirloskar's extensive service network which is world-wide, ensures the attendance of a trained corps of service

delivery of spare parts in the nick of time.

This service capability is one more reason why these indian engines have conquered the West!

Whatever your diesel' requirements, call on Kirloskar Diesel Engine



Call on Kirloskar Capability



GKW makes alloy and special steels, industrial fasteners. stampings and laminations, automotive forgings, metal pressings, precision tools, stripwound cores, special purpose machinery, railway products. And friends.



GKN group of companies.

Next best to holding hands...



creating communication channels

HINDUSTAN CABLES

We cannot really make people hold hands, But we can do the next best thing. Link nations and people together with our

tele-communication cables. Hindustan Cables—one of the world's largest specialised organizations of its kind, has a wide product range of communication cables and wires for varied communication

HCL cables have received international acclaim for product quality, performance and total customer satisfaction.



HINDUSTAN CABLES LIMITED (A GOVT, OF INDIA UNDERTAKING)
RUPNARAYANPUR (BURDWAN) WEST BENGAL

HINDUSTAN CABLES—link around the world

In Kuwait today, Iraq tomorrow. Saudi Arabia the day after. EPI's fast paced turnkey expertise reaches out all over the world with massive industrial projects and large civil construction works.

Coke oven batteries, electric arc and reheating furnaces, crude oil and gas pipelines, slag granulation projects, all kinds of material handling projects, raw ore blending and storage plants, power transmission lines, airports, bridges, silos, stadia, housing complexes, complete townships and much more.

Out of a total project value of \$ 875 million, \$ 560 million springs from our foreign assignments. An Indication of our worth in international markets.



engineering projects (india) lid. (A Government of India Enterprise) 'Kailash'. Kasturba Gandhi Marg, New Delhi-110 001 (INDIA)

BRAITHWAITE OF INDIA for advanced technology and engineering excellence

Manufacturers and Exporters of: Railway Wagons of all types Cranes for Shipyards, Ports, Steel mills and other applications Heavy Structurals Pressed Steel Tanks Jute and Industrial Machinery . . Heavy Duty Trailers Castings and Forgings Coal and Material handling plants and

Export Orders executed: Railway Wagons to Korea, Taiwan, Burma, Sri Lanka, Yugoslavia, Tanzania and Ghana. Heavy Structures to Malaysia and New Zealand.

Pressed Steel Tanks to Gulf and African Cranes to East African countries.

Export Orders in hand: Railway Wagons for Uganda and Vietnam. Pressed Steel Tanks for Gulf countries.

Foreign collaboration with world-renowned companies of UK, USA & West Germany.



Foreign companies can still operate successfully

impression to outsiders that the of "core" sector activities (a At the other end of the scale of this company's turnover is climate for foreign investment specified number of industries, there has been no question that

which have organised them of their production. These 53 per cent owned by Associated develop backward parts of the ted technology. The claim has not a priority sector, but it is selves in a way which contri-companies may retain up to 51 Biscuit in the UK, has country. Thus ITC has diversible in investigated by experts also in petrochemicals, is buildbutes to national objectives; per cent foreign equity. they have done what the Government wanted them to do be Concession frustrating: they would be hap is a further provision with position in a particular market, defining what constitutes sophic company's business may be outpier if the frustrations were re- regards to exports. A company production may qualify for a

It is true that, as in most 51 per cent foreign holding: a developing countries, multi-larger proportion of exports national-baiting is a favourite may qualify for a higher equity sport for politicians. Foreign participation. A foreign comcontrolled companies are associpany may be allowed to retain ated in people's minds with subwhat Mr. George Fernandes, sidiary if its production is Minister for Industry, calls further concession announced Although the content of the Although they account for less recently is that foreign comthan 10 per cent of the coup panies which re-invest in India try's industrial investment, the profits that would normally be bigger companies are highly remitted may be allowed to visible to the contract of the contract visible to the general public, retain 51 per cent foreign Among the 30 largest private equity. companies are subsidiaries or associates of Unilever, BAT tion of the FERA rules has Industries, Brooke Road, Dun caused problems in the borderlop. British Leyland. Alcan, line cases Where a company is Union Carbide, GKN and clearly in the 50 to 74 per cent Siemens. But there are only a categories, no major change in few sectors which are dominated its operations is called for, ICL, by foreign-controlled companies: for instance, has three main one example is drugs which has subsidiaries in India-Indian become a particularly sensitive Explosives, making explosives

Chemicals and Fibres of India Even before the enactment of making polyester fibres (55 the Foreign Exchange Regula. cent owned), and Alkali and tion Act (FERA) in 1973 many Chemical Corporation of India foreign companies had taken (51 per cent owned), which steps to Indianise their manage. manufactures a wide range of ment and to reduce their share- chemicals and plastics and is holdings. Hindustan Lever, for now building new plants for instance, the Unilever sub- "Gramoxone" and pharmasidiary, had sold 10 per cent centicals. of its shares to the Indian. With a total employment of public in 1956 and another 5 per 11.900, ICI is one of the largest cent in 1965; last year the foreign investors in India and shareholding was reduced to is continuing to expand and 68 per cent. The present chair- diversity. man and his two predecessors have been Indian nationals. Similarly other companies whose activities are clearly in

director, "we'll buy it."

by the Indian company.

to come to work with us here.

In a deal which has aroused

BHARAT HEAVY **ELECTRICALS** IN THE PAST technical agree- It's a 15-year agreement and ments were sometimes based on we're not just talking about the desire of the foreign products—we are interested in

Not surprisingly, the applica-

and fertilisers, which is 50.4 per cent owned (the Indian Govern-

ment is a misority partner)

With a total employment of

The FERA rules, as amended the "core" sectors like Siemen

collaborator to offload outdated power station engineering." technology on the Indian KWU will take part of the partner, while keeping advanced royalty in the form of equipknow-how to himself. As Indian ment manufactured by BHEL industry has matured, the in India. The rate of royalty need for foreign technology has is a sliding scale starting with changed and so, too, have the 4 per cent for the first five sets attitudes of foreign companies, and going down to 2 per cent The State-owned Bharat Heavy after the tenth set. KWU was Electricals, for instance, which selected out of a list of 11 started in 1955 with a collabora- manufacturers; the short lis tion with Associated Electrical included General Electric of the Industries of the UK, has in U.S., Brown Boveri, GEC and recent years invested heavily in MAN-Alsthom.

its own research and develop-BHEL, which employs ov ment. It reckons to be well 50,000 people, is determined to up with the leaders in several become one of the world's fields, such as solar energy and leaders in new methods of coal combus-engineering engineering: it has developed tion, but has no qualms about sophisticated organisation for buying in technology to supplement its own efforts. "If somement. It has the volume to one else has already done the support a substantial research work we are interested in," says and development programme Mr. H. N. Sharan, engineering it will soon be in a position to supply equipment with a some political criticism BHEL generating capacity of 4,000 MW each year. But it pecogn eas signed an agreement with that gaps exist between its KWU, the Siemens subsidiary, technology and that of the main for know-how in turbine genera-fors of 200 MW to 1,000 MW. international suppliers and that BHEL is now making 210 MW these gaps cannot be filled. sets based on Russian tech-quickly enough by in-house

development nology, but plans have been BHEL has sought agre approved by the Government to build four super-thermal in specific areas with companies stations which will incorporate which have a strong R and D 500 MW sets. The first will be base and experience in trans built by Tatz Power in Trombay ferring technology successfully; and the first 500 MW set will apart from KWU, there are he largely imported from Ger- agreements on boilers with many, though with some items Combustion Engineering of the manufactured by BHEL and U.S., on transformers with full engineering involvement Alsthom of France and several others. The company There is a clear under- impressed by the example o standing that it will be an open the Japanese, who have become door policy between KWU and competitive suppliers in world ourselves, says Mr. Sharan, markets, of know-how as well Our engineers are involved in as equipment, while continuing developing the designs. Our to absorb technological input engineers can go to their from foreign collaborators. laboratories and they are free

THE CONFRONTATION which in 1975, define three categories in electrical equipment and is unlikely to be allowed to took place last year between the for foreign-controlled com- British Leyland in commercial expand in that field. If it wants

in India had deteriorated and sometimes referred to as Appen- a company like Metal Box of industry. that foreign companies were no dix I industries, including India, making cans and other longer welcome. This would be fertilisers, petrochemicals and forms of packaging, would have incorrect. Although India has capital goods or of activities to dilute to 40 per cent. This never relied on foreign invest- involving sophisticated tech- company has obtained approval ment to the extent of some velocity or of activities to the extent of some velocity or of activities to the extent of some velocity or of activities to the extent of some velocity or of activities to the extent of some velocity or of activities to the extent of some velocity or of activities to the extent of some velocity or of activities to the extent of some velocity or of activities to the extent of some velocity or of activities to the extent of some velocity or of activities to the extent of the extent of the extent of some velocity or of activities to the extent of the exten ment to the extent of some pology or of exports. In this from the authorities for the In practice this means that other developing countries, such category the foreign company issue of convertible bonds which it is steered into areas where as Brazil, and the activities of may retain up to 74 per cent of by 1981 will reduce the share-large-scale investment and the foreign companies are restrice the equity.

holding of the parent company kind of marketing and manageted in several ways, it has been The second covers companies to 40 per cent or less. Similarly, ment skills associated with a
and still is possible for them which do not less than 60 per ITC Ltd (formerly Imperial large company are required that its method of making soap, lems in calculating the precise to operate successfully and pro- cent of their business in core Tobacco, in which BAT Indusfitably in India.

The Government's preference using minor oils which would percentage of a company's busifitably in India.

Sectors or in activities involve tries is the dominant share- is for investments which otherwise have no market and ness which is in the priority sec-

which they have found not more than 40 per cent. There company already has a dominant Difficulties have arisen over 1980s some 30-40 per cent of the No.

as FTC has in cigarettes (about sticated technology. For in- side Unilever's traditional lines, some observers believe that the

Government and two large panies. The first covers those vehicles, are able to retain and in which not less than 75 per Coca-Cola, may have given the cent of annual turnover consists impression to outsiders that the of "core" football and of the order order of the order order of the order or

The best performers have ing sophisticated technology and holder) has diluted to 40 per generate employment, earn producing valuable by-products tors. Union Carbide India has generally been the companies export not less than 10 per cent cent and Britannia Biscuits, foreign exchange or help to such as glycerine, is sophistica- a dominant position in batteries, and the companies export not less than 10 per cent cent and Britannia Biscuits, foreign exchange or help to such as glycerine, is sophistica- a dominant position in batteries, and the companies export not less than 10 per cent cent and Britannia Biscuits, foreign exchange or help to such as glycerine, is sophistica- a dominant position in batteries. These 53 per cent owned by Associated develop backward parts of the ted technology. The claim has not a priority sector, but it is

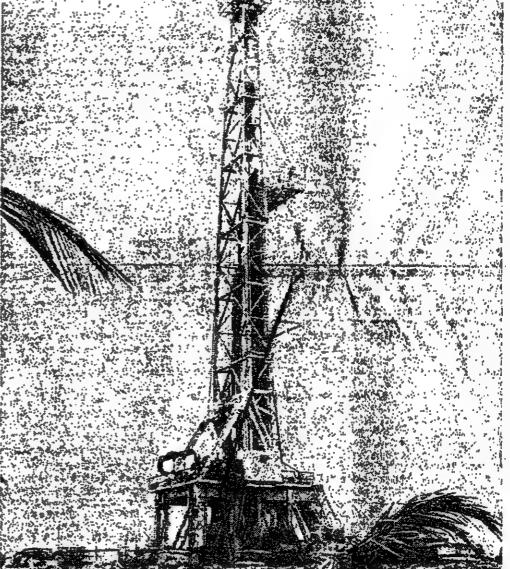
announced plans to do so.

fied into hotels and into marke appointed by the Department of ing a pesticide plant and, for The 40 per cent-owned companies are treated on a par with ing a plant to manufacture parently accepted but the probability and periodic to manufacture parently accepted but the probability and the serings a product which is in lem is not yet resolved. In the is confident that it will reach them are allowed to the following the following within a short supply in India: by the by legislation. While they have the companies which do not into certain sectors, it has satisfy the criteria set out usually been the execution of above; they must reduce the policy rather than the policy foreign share of the equity to itself which they have found not more than 40 per cent. There

moved, but they have learned which exports 40 per cent of its 47 per cent of the market), it stance. Hindustan Lever claims Similarly, there can be prob- border line companies would be better off to accept a dilution to 40 per cent. Several Britishcontrolled companies have-found no difficulty in adjusting the rest of the shares are widely spread, the change from 51 per cent to 40 per cent makes no trol and relations with the parent company need not be affected in a drastic way. But to some American and Continental companies the loss of majority control is a consider able psychological hurdle. An Indian manager in one of these companies worries that after dilution to 40 per cent the Indian company will no longer have the same place in the parent's worldwide network and access to new technology will be more difficult. "It will no longer be a matter of walking in and picking up whatever you !! like." He also sees no great attraction in diversifying into industries like deep-sea fishing where the company has no experience.

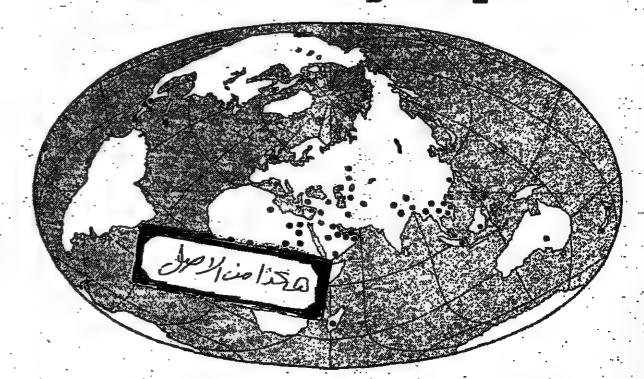
There is criticism among foreign companies of the un imaginative way in which FERA has been applied. It is arguable that even within the FERA rules India could be making better use of foreign investment. Philips, for example, which is diluting to 40 per cent, finds itself squeezed between the public sector (which has a dominant role in telecommunications and some types of electronic equipment) and the small-scale sector, which has preferential rights to certain consumer * products. Several electronics companies feel they

could be making a bigger con-CONTINUED ON NEXT PAGE



An oil rig belonging to Bharat Heavy Electricals

The expanding world of Kirloskar pumps



For Kirloskar Pumps it has been an expanding world. In the last fifty years the range has widenedand so have the markets for Kirloskar Pumps.

Today, there is a Kirloskar Pump

for almost every application-and they are sold in over 40 countries throughout the world.

Kirloskar Pumps, Trusted around

Kirloskar Brothers Limited, Pune 411 002 (India)

(ii) Registered Uşers: Kirkoskar Brothers Limited

Bombay: the business centre

WHILE NEW DELHI is the manufacturing plants of Tata since the bulk of gold used to of Vashi, the first phase of New political capital, Bombay is the Iron and Steel Company and be smuggled in from the Middle Bombay development,

(Rs 24.15bn in 1977-78), paid to because the local harbour caters an eight of the central exchequer. It has as for the entire western, central in West Bengal eight years ago

The external trade with the many income tax officials as and northern regions of the eight of the country's 17 states country.

Bombay has been the traditional institutions.

The external trade with the state-level financial institutions. West has enabled Bombay to develop into a financial centre as well. Foreign banks, known tutions has enabled industry and trade to secure bank credit

Foreign

CONTINUED FROM PREVIOUS PAGE

the dominance of

tribution and they are frustrated foreign-controlled companies in

when they see their parent favour of the public sector

devoting more attention to companies, Hindustan : Anti-countries like Brazil the biotics and Indian Drugs and Pharmaceuticals, and of Indian-

The supply of technology controlled companies. The price

commercial capital of India, Associated Cement Companies East. Over the past two already been built to accom-Indians visiting the city for the are outside Maharashtra, whose decades, Bombay forged ahead modale 15,000 families of first time are struck by the fast, capital is Bombay, but their of Calcutta, which was the early workers employed in a satellite. if mechanical, pace at which life taxes are credited to Bombay base for British businessmen industrial centre, known as the moves. Unlike many Indian because of the location of the with interests in the jute and Thane-Belapur belt, where cities, it lacks a personality of registered offices. Bombay is the tea industries. Cotton textiles more than Rs 3bn were invested commercialised. It is cosmo-houses such as Mafatials and industry in western India and 90 units engaged in petropolitan, and the largest single Birlas. linguistic group. Marathi-speak.

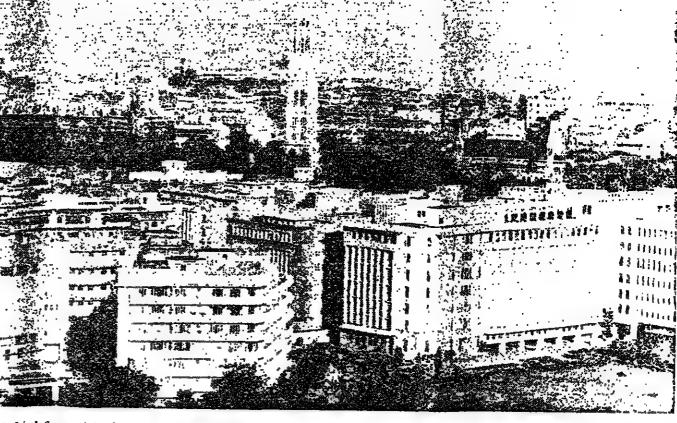
About half of the Rs 62.33bn attracted scores of textile mills, products, drugs and pharmaing, represent only 40 per cent customs and excise duties, a What the textile entrepreneurs centicals, rolled steel items. for a foreigner, it is little manufactured products by the chemical and other modern equipment, canned foods. These different from any Western city. central Government, comes from industries giving a filip to the units belong to Mafatlals, Bombay contributes one-third the city alone. Its contributions industrialisation of Bombay. Wadias and foreign companies of the total direct taxes to import duties are the highest The Naxalite (a party owing like ICI, Prizer and Union (Rs 24.15bn in 1977-78), paid to because the local harbour caters allegiance to Peking) trouble Carbide.

establishments and industries, trade. The Bornbay Cotton magnet for industry, big and banks, established offices in the expense of other states, located within the city and those Exchange, the biggest after small. A comparable infra- Bombay to take advantage of havis as high as 110 per cent whose registered offices are in New York. Its bullion market structure and a ready market the expanding trade. Fired by for the products produced are "Swadeshi" spirit, some profit instance, the is the pace-setter for the country of the products produced are "Swadeshi" spirit, some profit instance, the is the pace-setter for the country of the products produced are "Swadeshi" spirit, some profit industry on not available elsewhere. Above greater that the expanding trade. Fired by the product of industry on the product of the all, there is an industrial cul- set up their own institutional cine and art has seen the ture. In areas where indus- framework to mobilise public establishment of a chain of and attitude to work are worry- ence many commercial banks mental Research, an institute ing factory managers. The (Central Bank of India, for of social sciences and advanced Bombay industrial area has instance). The location of the cancer research centre. Birlas gradually expanded and now Reserve Bank of India in Boni-have costablished a well-Satellite industrial towns have city has emerged as the premier research unit. The sirline set grown up in Pune, Nasik and banking centre with head- up by Tatas formed the nucleus even Aurangabad, where the quarters of six major banks- for India's national carrier, Air famous Ajanta-Ellora caves are State Bank of India, Central India; located. The contribution of Bank. Union Bank of India, The Middle East boom has Bombay to the country's GNP Bank of India, Bank of Baroda thrown up fresh opportunities

trialisation is now taking place, savings. That flush of institutions. Tatas have helped absenteeism, lack of punctuality enthusiasm brought into exist- set up Tata Institute of Fundaextends as far as 60 miles, bay gave a boost to banking. The equipped hospital and medical

arrangements is regarded as unhappy compromise between like water supply and sanitation. Industrial Development Bank visitors an idea of the country's unduly restrictive, the Government welcomes such collaboration of different, sectoral the expanding population. Town Investment Corporation of the country's interests." But even if the planners have recently devised India, and the Agricultural Retailed in the products India can offer. Also, it will bring under one ment welcomes such collaboration in particular areas. But it role of foreign companies in measures to take the pressure thance and Development Corwill not accept dependence on this sector is reduced, it should not be taken as an indication city called New Bombay, componies, that the Government is not interested in what foreign companies have to offer.

But even if the planners have recently devised india, and the Agricultural Remainder and Development Corwinance and Developme G.O. lation of 100,000. The township poration, besides a host of



eight of the country's 17 states country.

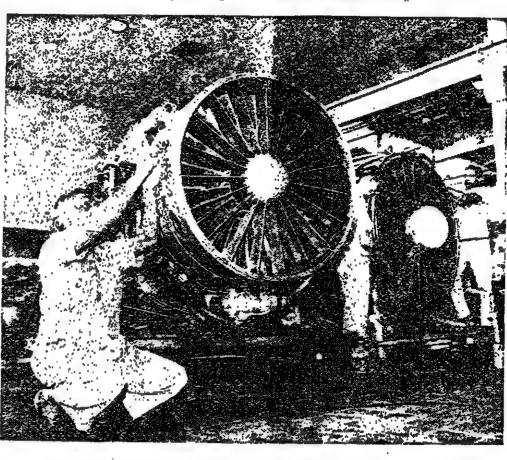
Substantial portion of which develop into a financial centre that in those days as exchange at the expense of other states.

Substantial portion of which develop into a financial centre tutions has enabled industry from individuals, commercial tional centre for international Bombay has thus been the in those days as exchange at the expense of other states.

without financial involvement of drugs and the role of foreignis another way of participating owned pharmaceutical comin the Indian economy; the parties is a sensitive issue in partnership which Slemens is a sensitive issue in most countries and it is not the partnership which Slemens is a sensitive issue in most countries and it is not the partnership which Slemens is a sensitive issue in most countries and it is not the partnership which Slemens is a sensitive issue in most countries and it is not the partnership which Slemens is a sensitive issue in most countries and it is not the partnership which Slemens is a sensitive issue in most countries and it is not the partnership which Slemens is a sensitive issue in most countries and it is not the partnership which Slemens is a sensitive issue in most countries and the partnership which Slemens is a sensitive issue in the partnership which Slemens is a sensitive issue in the partnership which Slemens is a sensitive issue in the partnership which Slemens is a sensitive issue in the partnership which Slemens is a sensitive issue in the partnership which Slemens is a sensitive issue in the partnership which Slemens is a sensitive issue in the partnership which Slemens is a sensitive issue in the partnership which Slemens is a sensitive issue in the partnership which Slemens is a sensitive issue in the partnership which Slemens is a sensitive issue in the partnership which Slemens is a sensitive issue in the partnership which Slemens is a sensitive issue in the partnership which Slemens is a sensitive issue in the country. Some and the role of the partnership which Slemens is a sensitive issue in the country. The partnership which Slemens is a sensitive issue in the country in the country in the sens developing with Bharat Heavy surprising that Indian policy city has been haphazard bringElectricals in turbine generators on the matter has become, in ing in its train problems of the Maharashtra Government, a is one example. While its the words of one critic, "an urbanisation. Civic amenities. Three financial institutions—
attitude to the terms of such unhappy compromise between like water supply and sanitation. Industrial Development Bank arrangements is regarded as documents and the are just not able to cope with of India. Industrial Credit and

R. C. Murthy

The centre of Bombay and (below) an engine overhaul being carried out at Air India's engineering base at Santa Cruz, Bombau.



ALPHA OF THE PLOUGH

We are not speaking of constellations in the northern skies; of Ursa Major and the company of the Seven Sisters. Nor are we meaning to recall the nom-deplame of a past literary eras

Our concern, is with down to earth matters. On soils, crops water and tertilisers, we have much to say. The unceasing toil of agriculture is realished by the perennial labours of gur extension staff. Demonstrating leaching, helping they traverse the dearland of India to enlighten the lamer in the ways of modern agriculture.

This, we aver is the duty we owe to our 30 million farmer - owners. As the largest producer of chemical fertilisers, we are appropriately linked to the Indian Cooperative system which is the largest seller. Gooperatives are many things to many people As Boyer Seller Banker. Wholesaler Processor and Retailer they perform siverse functions. More than all, they are as upremented instrument of intervention in the market place.

In all this, the man behind the plough is the principal beneficiary A. Aleph Alpha whatever you may call it, he is the principal star of the system. The objective of Indian Googlephive is to meet the farmer's needs do Alpha to Omega.

Towards this end, we also strive untitingly in our own sphere.



Kalol • Kandla • Philip INDIAN FARMERS FERTILISER
S-COUPERATIVE LIMITED

n Place, New Delhi 110019, IND



THE TRUSTED NAME IN

(ELECTROLYTIC 99.95%)

(99.99%)

ARE ALSO ESTABLISHED (SINCE

MINES

ZAWAR GROUP (RAJASTHAN)

MATON ROCK PHOSPHATE MINES (RAJASTHAN)

> RAJPURA DARIBAMINES (RAJASTHAN)

> > SARGIPALI MINES (ORISSA)

SMELTERS

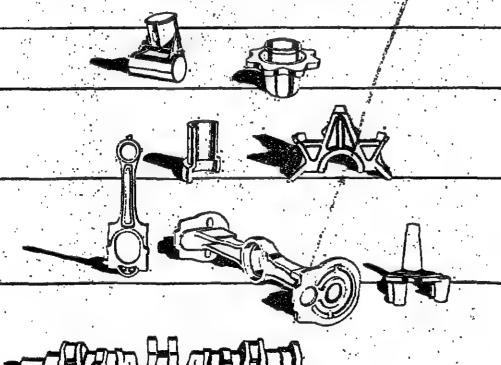
ZINC SMELTER, DEBARI (RAJASTHAN) ZINC LEAD SMELTER, VIZAG (ANDHRA PARDESH) LEAD SMELTER, TUNDOO (BIHAR)

ENQUIRIES SOLICITED

HINDUSTAN ZING LIMITED

(A GOVT. OF INDIA ENTERPRISE) 6, NEW FATEHPURA UDAIPUR-313001

Look what's in the range of our forging line...



Some of the world's hot favourites..., crankshaits, rear dead axles, gate valve bodies, conrods.... a variety of steel forgings... from a lew grammes to 800 kg weight. We forge them.

We have the men...2200 skilled workers. And sophisticated equipment. 12 years' experience and a good name....The World Bank rated us India's No. 1 forge shop.

And an increasing popularity overseas...our cranksharts go to USA, UK, Australia, South East Asia and the

Quality forging is our line of action... and there could be lots of things you'd want. Maybe we could add them to our line. Shall we?

Bharat Forge...a respected name in the world of quality forgings.

BHARAT FORGE CO. LTD.

Mundhwa, Pune 411 036 India. Tel. No. 7391, 7451, Cable: 'FORGE' Pune, Telex: 145-234 (FORG IN)

Kindly mail your letters to:

EXPORT DIVISION

5

16. Mahatma Gandhi Road, Pune 411 001. India. Tel: 28515, Cable: 'EXFORGE' Pune, Telex: 145-339 (EXPO IN)

Despite heavy investments by the public sector in the early years after independence, the level of efficiency in some of India's basic industries is still patchy. With the recent upsurge in demand bottlenecks in the supply of several key materials have appeared.

Steel production

towards large-scale, highly dustry is now running amusin-capital-intensive projects emaily high. At TISCO the figure barcing sophisticated technology. Despite the enormous cent, while Bhilai, which was resources devoted to it by sucception built with Soviet collaboration, at 94 per ment projects—the industry has cent, Durgapur, built with help failed to meet production targets, capacity utilisation has continues to languish at closer been low, the scheme to to 70 per cent, and IISCO below to the formula to the formula to the continues of the ministeel to to 70 per cent.

The fortunes of the ministeel with "deep drawing" qualities which the car industry needs, though some apparently being exported and some is going to the at a sixth of the cost, apparently needs, though some is going to the at a sixth of the cost, apparently on the grounds that expansion must be in the public sector. At the end of last month it was stainless, electrical and other special and mild steels, will not be completed until 1981.

The fortunes of the ministeel more available. Five years later available.

by comparison with its counter. from the low point of early 1877, hope to work profitably. at last out of the woods.

Power

1978-79, a substantial rise on the hits construction attivity.

hough the record coal stocks two years ago had been halved by the beginning of June this year to about seven days' con-sumption, and coke stocks were put at 200,000 tonnes. Efforts to guarantee coal supplies for the steelworks are already being

Steel Industry representatives do complain about the quality of the coal, however, which has a high ash content growing still higher as lower quality seams are mined. The Steel Authority of India (SAIL), which runs the five public sector integrated plants, is awaiting tenders for he supply of 1m tonnes of coking coal from abroad, which

THE DISAPPOINTINGLY blended with the local product provide the right mix and there invited by the Government to mixed performance of India's for use at Bhilai and Rourkela, will continue to be imbalances consider expansion, and commis-

steel industry since the war. Thus no one is sure that this between categories of steel.

Company (TISCO), which runs off-take. Stocks with the pro- industry has been he country's only private sector ducers had come down below for some time."

encouraging signs appears to be integrated steel plants.

1977-78, a substantial rise on the 1977-78, a substantial rise on the 1977-78 a substantial rise of the 2079-79 and the 1977-79 and the 2079-79 and the 1977-79 and the 1977-79 and the 2079-79 and the 1977-79 and the 2079-79 and the 1977-79 and the 2079-79 and the 2079-79

have needed capital repairs, and has been in a position to plant and machinery installed though these are now complete.

Contrary to widespread opinion coal supply problems have not affected production, have not affected production, have not affected production, the production and alloy but over the past decade, FISCO, on the other nand, using strong external demand. The past few years have shown how past few years have shown how unreliable that position is, and plates, sheets and other profor many years.

Over most or the past decade, FISCO, on the other nand, using strong only if there is though the strong only if there is the past few years have shown how past few years have shown how unreliable that position is, and how India has benefited by not being dependent on it. steels have been necessary to frustrations. The company was

ment's more sceptical attitude capacity utilisation in the investment of the second of the scenarios of the second of the second

The fortunes of the ministeel meanwhile gone ahead, though are furnaces (the so-called These plants produce 80 per plants, which were intended to somewhat behind schedule. Its "ministeel" plants) has barely cent of the country's ingot steel augment production in the early third blast furnace was composed, the country is still and closer to 90 per cent of its 1970s when a shortage suddenly missioned in February, marking the country is still and closer to 90 per cent of its 1970s when a shortage suddenly missioned in February marking the country of the first start of the first sta dependent on imports for cer- finished steel. Their improved seemed likely, remain blighted. tain specialised steels and over- capacity utilisation—the aver- This is partly because insuffiall consumption is not much age level in the integrated clent thought went into the junior higher than it was five years plants was only 65 per cent in crucial matters of power and hinted at expansion to 5.5m 1973-74—is partly due to better scrap supplies, but it is also the tonnes, well beyond the 4.73m For all that, it is partly supplies of iron ore, coal and result of a shortage of working planned by 1982-83. Bhilai is thanks to the slow growth of power than they received then, capital. Some plants have closed the past 20 years that India's But it also reflects an apparent down altogether, others have 2.5m to 4m tonnes. steel industry today is well-off turn-round in domestic demand done so temporarily: few can

parts abroad. In the words of Aiready the large steel stocks. The Department of Sicel and Mr. J. R. D. Tata, the chairman built up in the recent recession Mines in its latest annual report further plants. Apart from the of the Tate Iron and Sieel are falling with the improved admits that the electric furnace Salem integrated steel plant, "Had the 1.2m tonnes at the end of 1977 installed capacity of 2.88m submitted on a 3m-tonne steel unrealistic expansion plans after standing at 1.6m tonces tonces, production in both plant at Visakhapatiam and then laid materialised, our 12 months earlier. Exports, 1974-75 and 1975-76 was just another plant at Vijayanagar. industry would have been in marginally higher at just over 0.6m tonnes, rising to 1.16m. The Visakhapatnam proposal, serious trouble today." In fact, 1m tonnes after a big improve- tonnes in 1976-77 and a little which with the higher production of ment in 1975-76, are having to more last year. Even at this Soviet 1976-77 maintained last year take second place to domestic level of production, says the establishment of a coast-based. and a much higher target this requirements, simultaneously report they were finding it diffi- export-oriented blast furnace year, some people are actually giving an unfortunate "stop-cult to sell their products, partly complex with an annual capacity asking whether the industry is go " image to the outside world, because of their high costs of of 1m tonnes of saleable pig The underlying reason for the production compared to the iron, to be built on a produc-

To judge simply by its per-industrial economy is delicately prices artificially low which the resources India lacks and formance over the past three balanced, and just as the supply has benefited consumers at take the pig iron, while India months, the answer would of steel can be ruptured directly their response, reduced profit would acquire an investment in probably be no. Overall proprobably be no. Overall proby power shortages or erratic margins and hampered modernistic future for a time when
duction of ingot steel from the raw material supplies, so can attorn of plant and machnery demand has grown substantially.

six integrated steel plants was it be affected indirectly if while costs of raw materials. However, opinion is moving
planned to top 10.05m tonnes in cement production afters and fuel, power and spares have away building further inte1878-79 a substantial rise on the bits construction after the coverament grated plants in which his iron

in the Damodar Valley Corpora- consumed if the economy.

The need for imports of steel SAIL division operating Bhilai, danger—that it will acquire a with Bhilai, have also suffered from bad industrial relations, mainly inter-union rivalry. On of pig iron available for export Rs S58m by March of this year, requirements, a position which top of this Bhilai and Rourkela over most of the past decade, TISCO, on the other hand, using will be strong only if there is

has been one of the factors year's high targets will be. The new Bokaro plant, built Steel which suggested in 1973 encouraging the Janata Govern- achieved. On the other hand with Soviet collaboration, is not to 5m tours at a cost of

completion of the first stage of 1.75m tonnes. Last month the Minister for presently being expanded from

tion-compensation" an upsurge in building and Producers generally have suf- under a rouble credit arrange-construction activity. But India's fered from a policy of keeping mont. Russia would provide

risen. But the Government grated plants in which pig iron

run higher. Hindustan Steel, the as well India is facing a unreliable that position is, and

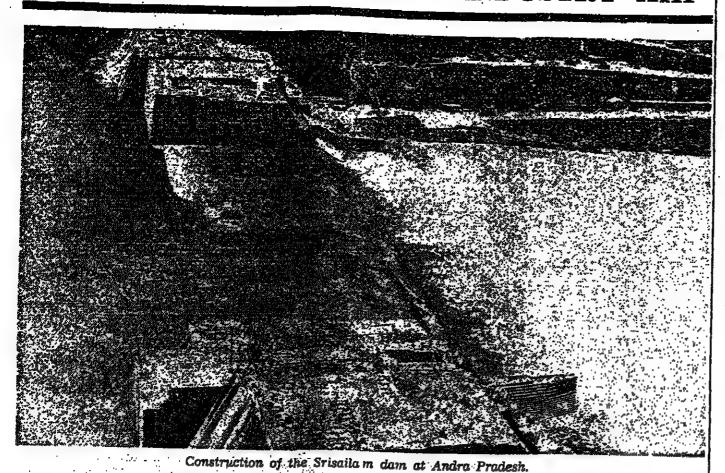
Chris Sherwell

is 0-		STEEL OUTPUT				
e 0 e	Capacity 1978	('000 tonnes) Output _1976-77		Output 1977-78		Project capaci 1982-8
s Plant	Ingot steel	Ingot Saleable Pig I	ingot Steel	Saleable	Pig	Ingul
a Bhilai Durgapur S Rourkela B Bokaro HSCO	2,500 1,600 1,800 1,700	1,092 901 204 1	2.371 1.091 1,409 933 651	1.930 864 1,178 813 506	#09 102 16 512	4.306 1.606 1.806 4.730
d TISCO	2.000	1.997 1,550 — 1	1,968 8,424	1,601 6,894	1.329	2.000 2.000 15.456



Loading iron ore for export at Goa.

INDIAN INDUSTRY XIII



Middle East boost for construction

RUILDING CONSTRUCTION projects valued at more than struction companies are many; contracts. Already, big business as become an organised Rs 10bn in the Middle East. tight exchange control right houses, whose growth is at

schemes by financial institutions, availability of steel and coment and above all public expectations of real estate Government imposed a han onbuilding construction to stop speculation as well as conserve coment for more essential purposes. That was lifted only in January 1976.

Many uncertainties that desged the private construction industry, no longer exist. A: shot in the arm for construction companies has come with IN THE last few months at In 1977-78 the industry pro- discouraged new investment and the building boom in Middle large number of proposals for duced 19.3m tonnes of cement, failed to produce an orderly East countries. Indian com- establishing new coment plants representing 89 per cent of growth of capacity. In the

and steel were available, at little investment in new cement caused one or two plants to be the private sector to the revised pricing formula shows that the least until recently, at competi- plants over the past new years. The cement crisis appears to the profit motive to achieve its a disadvantage of relatively that prices for cement had been illustrate weaknesses in Government is prepared to use the profit motive to achieve its adjustment of relatively that prices for cement had been illustrate weaknesses in Government is prepared to use the profit motive to achieve its objectives, but this has yet to limited international reputation fixed too low. A new pricing ment policy towards certain be converted into a consistent as against the world giants, formula has been established basic industries—paper is policy for industry as a whole Indian construction companies based on an after-tax return of another example - where the have won more than a dozen 12 per cent on net worth.

yar plans.

In the find overseas contracts and the inadequate financial support. Also, the industry is not companies have to get registration and to the west of it is the type of port. Also, the industry is not companies have to get registration and to the west of it is the type of prepared to take risks. Some time it gets a construction job it is skilled, semi-skilled and the property of the companies of the c

Ativity—it is yet to be recog. In all, 25 companies includ- from the stage of opening an present stifled, are showing as an industry by the ing Gammon India. Shapoorji overseas account difficulties in interest. Birlas has set up fovernment—only for the past Palionit, Hindustan; Construct importing machinery from third textile miles in Indonesis and is years. The business enamated tion, Shah Construction, B. G. countries, and cumbersome Thailand and are exploring mainly from construction of Shirke, are carrying out build-procedures for sending labour possibilities of joint venture in indicate the possibilities of joint venture in the construction construction construction contracts in the curbs are intended to restrict it is exploring projects for lombay, factory practices like Kuwait, Libya, Qatar and Abu curbs are intended to restrict it is exploring projects for lombay, factory practices for Dhabi. Many more contracts bogus labour recruiting agen-manufacture of caustic soda. w industrial units, irrigation would have been won but for cies, they are hurting even the soda ash and other chemicals. oms and bridges under the five- the limited experience in hand- reputable construction com- The difference between the

which depended on Government group. which clears, proposals ing other development projects, years, policies such as the urban land and guides, them will the end, which gives scope for Indian ceiling, funds for hire purchase. The problems faced by the con- industry to bid for turnkey

thir own corporations to carry oul public sector construction of the public is that if bankers is sector has increased the opportunities available. The fortunes indian construction construction on the fluctuations in private contracts are dealt with by in another five years. But the technicians rather than some sector construction activity, which depended on Covernment.

R. C. Murthy

Serious shortages of cement

panics, both in the private and establishing new cement plants representing 89 per cent of growth of capacity. In the public sectors, are trying to have been submitted to the capacity; this was about 2m submitted to the capacity; this was about 2m business community the hope is that the opportunities. Realls central Government, some of tonnes short of demand. The ling the potential to export the them from companies with no Government has arranged for human and material resources, previous experience of the substantial imports, but prices to deal with the present crisis, industry. While this appears to there have continued to rise and to deal with the present crisis, industry. While this appears to there have been accusations of but will have a wider effect on conflict with the Government's black-marketeering." Suggesting Projects intention to discourage over tions, that the Consequence.

There is certainly no sign and the continued to rise and to deal with the present crisis, but will have a wider effect on industrial policy.

There is certainly no sign and the continued to rise and to deal with the present crisis, but will have a wider effect on conflict with the Government's black-marketeering." Suggesting the continued to rise and to deal with the government are the continued to rise and the continued to rise and the continued to rise and the present crisis.

There is certainly no sign and the continued to rise and the present crisis. Also, two public sector corporations—Engineering Projects intention to discourage over tions that the Government the Government (India) Ltd. and National Build. diversuscation by large indust-should take over the marketing the Government's part that it ing Construction Corporation—rial groups, it redects the critical and distribution of cement have wishes to reserve the expansion have entered the overseas mar. situation which has emerged in been fiercely opposed by the of the cement industry for the ket in a big way.

The supply of cement and which manufacturers, who feel that public sector. Of the 30m tonnes

anxiety to keep prices low has

India has the advantage of threatens to become a serious control by bureaucrats would expected to be produced in proximity to the Middle East brake on economic growth. Only make the situation worse, 1982-83, only about 8m tonnes, and also surplus labour which Although the speed with Froblems in production have will come from undertakings can be profitably deployed on which demand has increased been aggravated by shortages owned by the central or state there projects. Also, rement was unexpected, there has been of power and coal, which have Governments. The response of the control was unexpected, there has been of power and coal, which have Governments. The response of policy for industry as a whole



Indian Drugs and Pharmaceuticals synthetic drugs plant at Hyderabad.



Today, as the world's 10th largest industrial nation, India has enlarged the scope of her international trade to cover over a hundred countries in five continents. Items exported range from traditional commodities to sophisticated engineering goods, while an equally impressive range of imports come to feed India's growing needs. No wonder that India's world trade now is over £ 6600 million.

And in the forefront of this trading activity is the State Trading Corporation of India (STC), India's premier trading house with an annual turnover of £ 660 million. The STC handles about 10% of the country's trade with an export list of over 300 items. Imports include vital raw materials for Indian industry.

It is this multi-product, multimarket experience that gives STC the expertise to serve both the buyer and the seller with a rare degree of professionalism. And this expertise is available in any of the 11 offices within India and the 20 offices located in important world markets overseas.

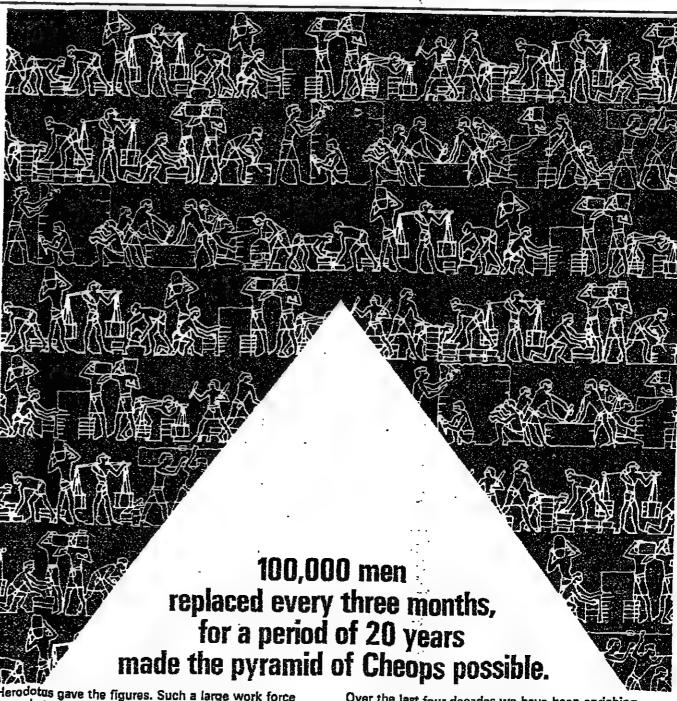
LONDON OFFICE: 8, South Audley Street London WIY 5 DO TEL: 01-493-2995, 01-493-2996 TELEX: 227/2 ESTICI IDN CABLE: ESTICI LONDON

OTHER INTERNATIONAL OFFICES AT New York, Frankfurt, Paris, Millan, Moscow, East Berlin, Belgrade. Budapest. Nairobi, Dar-es-Sulaam, Kuwait, Baghdad, Jeddah, Colombo, Dacca, Singapore, Sydney, Tokyo, Hongkong.

The State Trading Corporation of India Ltd. Chandralok, 36 Janpath New Delhi 110001 TELEX: 031-2167, 031-2168, 031-3057 CABLE: ESTICI



THE STATE TRADING CORPORATION OF INDIA LTD.



Herodotus gave the figures. Such a large work force spread over a wide span of time, quickly depleted the royal treasury. But King Cheops had no choice. Modern builders do.

Advanced construction technology cuts construction time and costs. The slip form shuttering technique is an example. ECC uses it to perfection in the construction of silos, prill towers, chimneys, multi-storied buildings. And ECC's specialised skill in precast, prestressed construction is adapted to suit the needs of commercial, institutional and industrial structures. In addition, we offer comprehensive engineering services to turnkey projects in India and abroad. Our total capabilities have prompted leading consultants like Snam Progetti, Humphreys and Glasgow, Davy Powergas, Kellog International, Toyo Engineering, Takaneka Komuten Kumagai Gumi to call on us for complete engineering and construction services,

These services cover preliminary surveys, project reports, feasibility schedules, preparation of structural designs and drawings, planning, programming and project execution adopting the latest construction techniques and technology. Construction services include assembly of towers and fabrication of equipment involving specialised welding technology, process piping, cross-country pipeline, electrical installation and layout, control schemes...

Over the last four decades we have been enriching our capabilities and contributing to projects of national importance in the public and private sectors. Outside India our capabilities are crystallised in major assignments carried out for a natural gas liquefaction complex in Doha - Qatar in The Gulf and an International Airport at Abu Dhabi.

With ECC's experience and expertise, it is possible to set up major projects with speed and economy. If Cheops had the answer in 2650 B.C., the Great Pyramid would not have been viewed against the colossal cost structure which made Pliny the Elder stamp this and other pyramids as "vain and foolish ostentations of the fortunes of kings...

CIVIL, MECHANICAL, ELECTRICAL ENGINEERS

ENGINEERING CONSTRUCTION CORPORATION LIMITED

(a wholly owned subsidiary of Larsen & Toubro Limited)

P.O. Box 278, Bombay 400 038, P.O. Box 343, Madras 600 002,

Major investment in fertilisers

SINCE AGRICULTURE is production, especially as the in 1956 nitrogenous capacity cals Travancore (FACT) and targets being fulfilled to the india's main industry, farm inplants based on Bombay High was just 85,000 tonnes; it is must necessarily occupy a gas are facing environmental now 3m. Phosphates have ture with AMOCO of the U.S. case of the former and 76 per surprisingly, therefore, the fertilizer industry accounts for the while action is taken to establargest single investment in any lish additional capacity to meet industry has improved from sector in the current Fire-Year Planners have got bogged 79 per cent in the following producer in the connective sector of 73 per cent in the ture with AMOCO of the U.S. case of the former and 76 per case of the National Iranian Oil connective successful is the Indian implementation include Gujarat Farmers Fertilizers Co-perative sector in the current Fire-Year Planners have got bogged 79 per cent in the following producer in the connective sector. sector in the current Five-Year the higher demand.

Plan (1978-83) for new schemes. Planners have got bogged 79 per cent in the following tor and a uniquely successful tor and a uniquely rapidly, although performance implementation, production will Feedstock by the country's 55 factories has have to be initiated in a phased

just over 1m tonnes of phos- ing States. phates and there will thus be

Additional

ment plants to set up anditional it romains to be seen now lar have proved to be reasible. The nitrogenous fertiliser plants in this proves effective since oil is to be excluded while Maharashtra and Gujarat hased simultaneously a programme of naphtha will be used only if on associated gas from Bombay modernisation and removal of quick implementation and low light and Bassein offshore fields constraints to improve the capital costs justify its use. Another, Southern Petro-and another plant in Assam operational efficiency of Much of the fertiliser ndustry in Tuticorin. Tambinadu: and bassed on associated gas from obsolete plants will be needed. Is in the public sector. To Mangalore Chemicals and Fertilised and Fertili

oil in the private sector by for fertiliser plants have been restructuring of the industry they have an installed capacity Nagarjuna. Fertilisers at permitted, for instance. But and the giant Fertiliser for manufacture of 1.2m tonnes Kakinada in Andhra and others improvement of efficiency needs. Corporation of India and of nitrogen annually and 247,000 to additional phosphatic additional phosphatic more attention than has been National Fertilisers are to be tonnes of phosphates. Their percapacity based on a recent given so far to a key industry, reorganised into four companies formence is not entirely satis-Yet there will inevitably be ing the fertiliser industry, stock considerations.

a time gap between establish- growth has been impressive. Other public sector companies 719.000 tonnes of mitragen and ment of new capacity and actual particularly in the last decade, include Fertilisers and Chemi- 122,400 tonnes of phosphates.

Heavy imports have had to the private sector or taken up naphtha, natural gas, coke oven and profitable plants at Kalor on fuel oil at Kakinada in fill the gap between consump by co-operatives.

gas, lignite and electricity. At and Kandla and expects to com- Anchra, to be partly financed tion, which is increasing rapidly Capacity for phosphatic one stage the Government mission a new plant at Phulpur by British credit.

every year, and production and fertilisers will be based on a decided that future plants there will continue Hence the indicious combination of India. these will continue. Hence the judicious combination of indishould move away from naphths performance been that it has urgency to establish new genous rock in Rajasthan and and use fuel oil or coal, been given one of the two plants capacity and make better use imported rock and phosphoric Accordingly six projects were in Gujarat to be based on assout established units. Demand acid. But locational studies are planned on the basis of fuel oil ciated gas from Bombay High projections by the Planning just starting and these will be and are under implementation, to implement, making it the Commission are that 5.2m followed by feasibility studies- while two large coal-based units largest single fertiliser producer tonnes of nitrogenous and 1.6m both time-consuming processes have been taken up at Rama- in the country. Appropriately tonnes of phosphatic fertiliser technically. If previous experi- gundam and Talcher. The trial the co-operative is owned will be needed by 1982-83. Total ence is any guide these probruns of the coal units have largely by farmers whom it installed capacity at present is lems will be aggravated by proved satisfactory and it is serves in a number of ways—3.03m tonnes of nitrogen and political tussless among compet- possible that another such plant an experiment that other Third will be established at Korba. World agricultural countries Quicker results can be With the discovery of oil and could usefully emulate.

a gap of 1.2m tonnes of nitrogen obtained-and this is racognised gas in the western continental and 600,000 tonnes of phos- by the planners by improving shelf, the policy has been operating units in the private efficiency of existing plants. A reviewed and it has been sector-Shriram Chemicals in new pricing policy designed to decided that the gas should get Kota, Rajasthan; Indian Exploreward the efficient and penal- first priority. Coal comes next sives in Kanpur, Uttar Pradesh. ise those which do not operate now that the two plants with which is controlled by ICI. To close this gap the Govern-well has just been introduced, coal gasification technology Coromandal Fertilisers in Vishament plans to set up additional It romains to be seen how far have proved to be feasible. Fuel kapatnam, Andhra; Gujarat

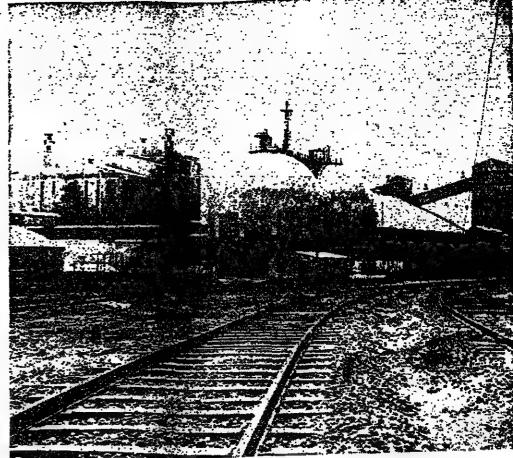
There are

these units in 1977-78 was just

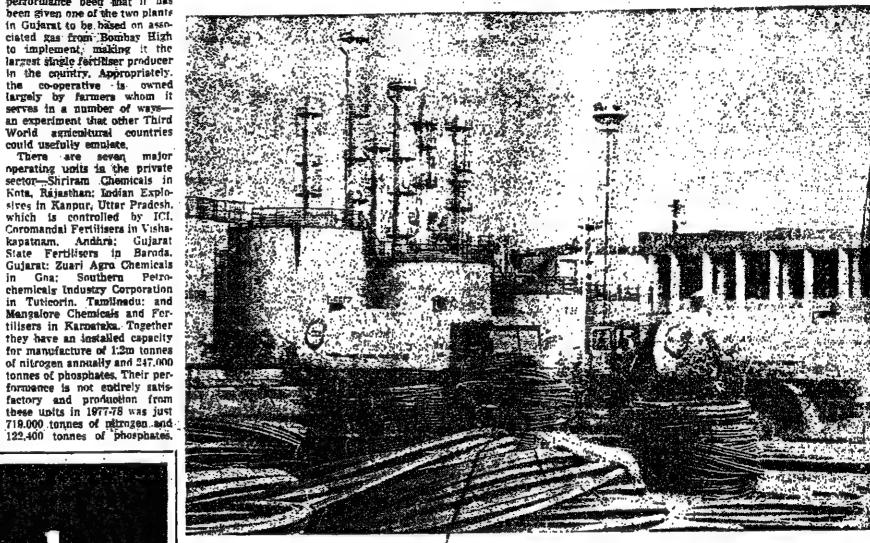
officials there. Other proposals Some attention is being paid improve efficiency the Governinclude a plant based on fuel to this. Captive power plants ment has made a controversial tilisers in Karnataka. Together Despite the problems plagu- based on regional and feed- factory and production from

of the co-operative is Rs 204m West Germany and Progetti of while the Government and the Italy. The other is Nagarjuna been uneven and capacity manner in nine new nitrogenous. One problem is the wide utilisation in most is a major plants, six of which will be in variety of feedstock used by problem.

This includes the public sector and three in the plants. This includes the rest, it runs highly efficient ting up a fertiliser project based to the rest of the public sector and three in the plants. This includes



The fertiliser plant at Kandla set up by the Indian Farmers and Fertilisers Co-Operative. Below is the petrochemical plant of NOCIL near Bombay.



Cautious approach to petrochemicals

you too can unlock the wealth of India's industrial capabilities P FOR HIGH WIND REMINE SOLUTION OF THE PARTY OF THE PARTY

We offer the secret combination. A package comprising the widest range of international banking services at over 20 foreign offices.

Services like providing guarantees, arranging foreign/ local currency loans, back-up for high-value imports and exports. project assistance in fact everything you expect from a leading international bank.

Foreign offices: London (4 branches). Frankfurt. New York, Chicago, Los Angeles (Agency), Nassau, Bahrain, Colombo, Malé, Dacca, Singapore,

Representative offices Frankfurt. Toronto: Beirut, Tehran, Manila, Cairo, Tokyo, Vancouver, State Bank

CHAITRA-SBI-373

petrochemical projects. Officials anhydride. irrigation, health and communi- capacity. cations. Synthetic fibres are being more widely used as a Landmark

such studies, substantial new commissioned this year. although, taking into account Assam through Bongaigaon late. The olefins project and total investment of Rs 1.6hn. the gestation period for new Refinery and Petrochemicals, its downstream units, involving These are for a naphtha cracker, units in the petrochemicals while the West Bengal Govern, a total investment of Rs 3.468bn, PVC, high density polythene, industry, production will take ment has been given the green are in the final stages of com-chylene oxide and ethylene time to materialise. Meanwhile, light for another complex at pletion and many have been or hexanol. Exercises are now in imports will fill gaps in supply. Haldia. The State is pursuing will be commissioned this year, progress to identify which parts For the present, decisions the project vigorously and is have aready been taken to seeking private investment and petrockemicals units are also in India but foreign collaboraestablish an olefins complex foreign collaboration in what it nearing completion and the tion will almost certainly be the using natural gas or naphtha as hopes will be a major new latter should be ready by early eventual answer. feedstocks based on techno-industrial project in West 1980. The investment involved economic considerations at an Bengal. is Rs 1.27bn but this is likely to IPCL's units have collaboration initial cost of Rs 459m (about IPCL was launched in 1969 be revised upwards. A project approuncements with companies E30m), an aromatics plant for and its Baroda complex consists for manufacture of polyester from many countries and mere £30m), an aromatics plant for and its paroua complex consists for manufacture of projects from many countries and more recovery of benzene, toluene of an aromatics project and an filament yarn at Baroda with proposals are to be invited. The and xylenes at a cost of Rs 1bn olefins project comprising a capacity of 3,500 tonnes State Government, which is an aromatic capacity of 3,500 tonnes State Government, which is a DMT/TPA plant with a naptha cracker, pyrolysis gaso-ennually (and to be raised to studying the possibility of sett-

AFTER A relatively slow start this expanding area leaves wide polybutadiene rubber, acrylonioperation-the Government now ment's policy.

vides new hopes in this field, the expansion of the private

substitute for cotton to supplement the country's clothing So far, the major landmark strated the potential employ- up of the massive complex of

capacity of 120,000 tonnes at a line hydrogeneration plant, 7,000 in the second phase) is studying the possibility of settcust of Rs 400m and a polyester henzene extraction unit and being implemented by Petrofils on imported feedstock, has
fibre project with a capacity of butadiene extraction unit. Its Co-operative, a multi-unit colimited the role of the private
45,000 tonnes at a cost of downstream units will make operative society in which the
Rs 400m. Foreign the-ups for low density polyethylene, polyGovernment has a 60 per cent

KKKS some have been negotiated but propylene, ethylene glycol, share.

in petrochemicals—there is scope for more technical col- trile, acrylic fibre and detergent be the biggest polyester file really just one major complex laboration agreements within alkylate. Approval has been ment unit in the country with (at Baroda in Gujarat State) in the framework of the Govern- given for fresh investment in a its polycondensation unit con-55,000-tonne VC-PVC project, a verting DMT into polyster chit feels that the recent discovery. The Government's overall 10,000-tonne acrylates project and the spinning unit making of offishore crude and natural programme for petrochemicals and expansion of the DMT plant, the chips into filament yark. gas on the western coast pro- leaves substantial scope also for from 24,000 to 30,000 tonnes. Its approach has been cautious, sector. Important areas iden-matics project went into pro-November on the basis of however, largely because of the tified for it are PVC, vinyl duction in 1973-74 and output imported chips. The three capital-intensive nature of acetate, phenol and phthalic of DMT in 1977 at 24,496 tunnes remaining spinning lines are Since production was higher than the installed expected to be commissioned are now studying a cost-benefit of thermo-setting plastics like capacity, while that of xylenes this year and the polycondensaanalysis which has shown the urea formaldehyde has re was claimed to be the best tion units next year. advantages to the economy of mained stagnant, this is an possible based on the aromatic runds the use of petrochemical pro-industry that is particularly precursors present in the runds ducts in place of conventional amenable to decentralised pro- naphtha presently available. The ducts in place of conventional amenage to december the materials without adversely duction by small and medium oleffus project consists of a fladda petrochemicals complex affecting established industries, sized entrepreneurs. A study is naphtha cracker (with an esti-Many such uses have been to be made on the possibility of mated, annual throughput of identified—though not yet harnessing the full potential, 450,000 tonnes of naphtha) and fully carried out—including ties in this area, including associated units for extraction plastic products in agriculture, fuller utilisation of existing of benzene and butadiene and hydrogenation of pyrolysis gasoline.

Downstream units have been approved to make use of various Britain, gaseous streams and other many and France. ment opportunities in conver- the Indian Petrochemicals Cor- will lead to substantial product technical sion of petrochemical products poration (IPCL) at Bareda tion of low density polyethy- after that. into consumer end-products in where a naphtha cracker and lone, polypropylene, ethylene It expects to start preliminary the small-scale sector. Following downstream units are being glycol/ethylene oxide, polybuta- work from next April, having A diene rubber, acrylonitrile, already received letters of are planned beginning is being made in acrylic fibre and detergent alky intent for five products at a

Production from one of the Various units of the arc-spinning lines started last

when the Central Government deterred the Marxist Wes Bengal Government and it has already invited tenders from 20 selected companies in Japan Studies have demon- in petrochemicals is the setting liquid products available from are expected by September and the olefins project and these the State will take decisions on

The Bongaigoan refinery and of the plants can be fabricated

Financial Times Monday August 14 1978

Where action originates



Technology...

Walchandnagar Industries Limited
ls a very dynamic, multi-directional
enterprise But for over half a
century, its name has been
synonymous with sugar.
In the early days, our entire life
revolved argund sugar.
We grew sugar cane. We built a
mill to crushit. And we made sugar.
In ever increasing quantities.

In ever increasing quantities.

And from making sugar, we went a step further and started manufacturing sugar-making machinery. Before long we had the complete capability to set up entire augar

plants. Our first plant was commissioned in 1961. To date, we've set up 35 plants on a turn-key basis, in India and abroad. Taking total responsibility for project design, manufacture, erection, commissioning and performance. And we have what it takes to undertake any

such job, anywhere in the world.

...to boilers.

As a direct offshoot of our

we started making boilers.

for our own sugar plants. But as

manufacture special purpose

Naturally, all this meant we had

to develop new technologies,

special skills, innovative methods

involvement in sugar technology,

Initially, they were made specifically

welding procedures for achieving radiographic-quality welds were developed, and welders were trained, for performance qualification. Earlier studies in welding metallurgy provided a sound base for critical welding particularly for Jobs such as Nuclear Reactor

Vessels. Constant research and development have paid off.

From manual welding...

Today we can handle any critical welding job, no matter how big or how complicated it is. We have the facilities and the expertise in welding by shielded Metal Arc. Gas Tungsten Arc, Gas Metal Arc with various metal transfers such as short arc/spray arc, semi-

their popularity grew, we started automatic or fully automatic getting more and more orders to submerged arc as well as submerged boilers to customers' specifications. arc-orbital welding, Tube to Tube and Tube to Tube sheet welding using the fully automatic gas Tungsten Pulsed (cool) Arc method. Another area we have developed expertise in is metal spraying for surface treatment.

> With this kind of potential, it was but natural that we diversify our activities. So we took on everything from chemical vessels, pressure vessels and heat exchangers, to complete plant and machinery for cement and paper.

Our biggest achievements to date have been heavy engineering jobs for nuclear power stations. Few people in the world have the apability for handling these

ive, manufacturing projects-we've built dump tanks, end shields, end shield TOF action. rings, fuelling machine cerriagesall to very critical ASME III and VIII specifications.

...to sequential trepanning.

The end shields are machined out of huge, 70-tonne slabs of steel One of the most crucial steges of its manufacture involves highprecision boring of 300 holes of 200 mm diameter. For this, we had to devise a complex sequential trepanning procedure to ensure that distortion limits of 2 mm are maintained over the entire five meter area.

Another highly co-ordinated and extremely critical operation is the sivink fitting of the 70-tonne slab assembly into a stainless steel Hat which itself weighs 22 tonnes, This calls for highly regulated

heating and expansion at temperatures as low as 250°C in a special to metre by 5 metre gas-fired furnace. The Dump Tank too calls for exceptional precision in fabrication. It is made of 304 L stainless steel and measures 8000 mm x 5000 mm x 3200 mm and weighs 70 tonnes.

We're geared

Talking about massive jobs, we've made our mark in yet another field. The manufacture of large-size merine gear boxes.

These gear boxes are coupled to steem turbines which generate 15,000 HP at 5750 RPM. We had to devise a special set-up for a Back-to-Back Test to check the performance of our gear boxes at full load, full speed and overspeed conditions—a procedure that had never before been carried out in the country.

That, of course, is nothing new to Walchandnagar.

In fact, we've made a name for ourselves for taking on seemingly impossible tasks, and coming through with flying colours. If you have a challenging fabrication or machining problem that needs a solution, come to Walchandnager, You'll get action.

liew of evaporator station

Boller pressure vessels

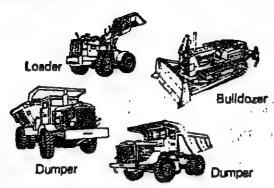


Construction House, Walchand Hirachand Marg, Ballard Estate, Bombay 400 038, India. Grams: Walsakhar, Bombay. Phone: 268091, Telex: 011-2780, Marketing Division: 658, J.M. Road, Deccan Gymkhana, Pune 411 004, India. Works: Walchandnagar, Dist. Pune, Maharashtra, India.

Financial Times Monday August 14 1978 INDIAN INDUSTRY XV

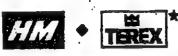
In the United Kingdom, New Zealand, Turkey, Kuwait, Libya, Nigeria, Kenya, renowned industries select TEREX 'Made in India' earthmoving equipment.

That's recognition



General Motors chose Hindustan Motors Ltd. as partners in manufacturing TEREX earthmoving equipment in India.

Dedicated to building earthmovers of greater reliability.



Hindustan Motors Ltd.

Earthmoving Equipment Division



2-16 February 1979 New Delhi, India

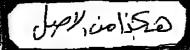
VISIT INDIA'S TECHNOLOGY SHOW ON DISPLAY WOULD BE:

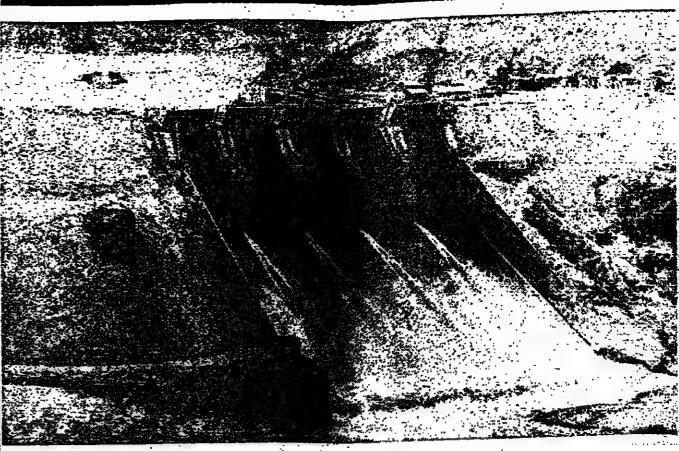
- * Automobiles and Auto
- Ancillaries
- * Basic Metals
- * Castings and Forgings
- * Construction and Earthmoving Equipment * Technical Services
- * Electricals
- * Electronics and Instrumentation
- * Hand tools and Cutting Tools
- * Industrial Machinery
- * Pumps
- * Shipbuilding and Ancillaries
- * Welding Equipment

and many other products of Indian Engineering Industry.

The meeting place to negotiate sub-contracts, direct purchases and joint ventures.

ASSOCIATION OF INDIAN ENGINEERING INDUSTRY 172 Jor Bagh New Delhi-110 003 India Cable: BUILDPOWER • Telex: 031-3855 AIEI IN • Phones: 624620 • 615115





Constraints imposed by power supplies

are philosophical about trouble but they are erratic power supply which is a najor constraint on production situation. the frustration that all Indians are experiencing and it is worth quoting at some length from it

"While industrial unrest is hopefully a temporary phase. the most distressing part of the power shortage is that there is no respite in sight for your company—or, indeed, for practically the whole country—in the immediate future. This is the result plementation for quite some

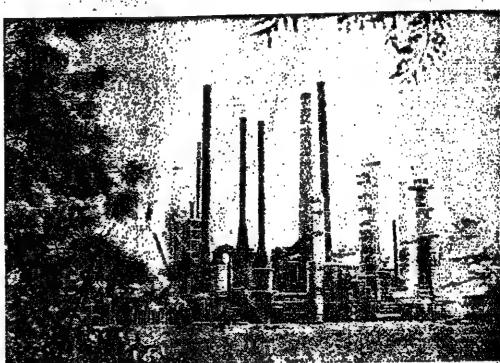
largest deterrent to investment compared to the requirement of

"Comment on the power Target crisis is perhaps futile. The target example of your company is the crippling power shortages."

The Planning Commission Bharst neavy Electrical, this peak some months ago, the has boldly set a target of creat. Government company, hopes to of German experts to examine to establish "captive" plat the working of thermal plants. These will either supplem what was actually achieved in The commissioning of an what was actually achieved in The commissioning of an kept secret but it is reported to or cater entirely to their not the last 15 years. It admits that additional nuclear capacity of have been highly critical of the although they will take time the last 15 years. It admits that additional nuclear capacity of even if this target is fulfilled—
and if past experience is any guide this is a futile hope—
ing down in the nuclear energy ance of the equipment and there will be continuing short—
there will be continuing short—
there will be country.

additional nuclear capacity of have been highly critical of the operational efficiency of the establish, certainly more that is available to imprint there will be continuing short—
there will be continued they will take time operational efficiency of the establish, certainly more than is available to imprint the programme following political instruments of which is far instruments of which is far instruments of the country. ages in parts of the country, difficulties with collaborators. The only suggestion that the after India's nuclear bang in Planning Commission and the May, 1974. The first unit of the Government are aware of the Rajasthan station, which was installed capacity. The group

tion but also for agriculture, functioning.



Hinkustan Petroleum Corporation's fuels refinery at Chenbar, Bombay.

the targets pitched higher, a check losses in transmission. Electricity Boards so that the targets pitched bigher, a check losses in transmission.

surprising projection in view of past failures in implementation of past failures in implementation of our public sector thermal capacity, the enormous transmission losses and thefts of power all speak poorly of the management of power undertakings. There continues to be a total inability result that the average installation of additional capacity and the lack of adequate hydromaphs.

The inefficient utilisation of past failures in implementation of past failures in implement discipline and the power crists annually works out to a rela-has now grown into the single tively insignificant 1.700MW

It is hoped to achieve what is clearly an ambituous target to be imported, although by the time these are to be installed, The Planning Commission Bharat Heavy Electricals, the water the power crisis was at tion, imports of generating the Planning Commission Bharat Heavy Electricals, the its peak some months ago, the are being permitted and indicate the power crisis was at tion, imports of generating the power crisis was at tion, imports of generating the power crisis was at tion, imports of generating the power crisis was at tion, imports of generating the power crisis was at tion, imports of generating the power crisis was at tion, imports of generating the power crisis was at tion, imports of generating the power crisis was at tion, imports of generating the power crisis was at tion, imports of generating the power crisis was at tion, imports of generating the power crisis was at tion, imports of generating the power crisis was at the power critical was at the power crisis was at the power critical was at the power critical was at the power critical was at the power crisis was at the power cri

Government are aware of the Rajasthan station, which was situation is the vague statement commissioned in December, that "interim measures to alleviate such shortages are teething troubles, while substander consideration." This imports of heavy water from the long-suffering power-bungry consumers in all sectors of the project is a major cause for the consumer. The managements, in their researched a complete of the "super thermal stat at Trombay for the Talas, proposal for which had be made nearly five years ago the general neglect by the managements of water chemistry.

The managements, in their The Government recognises region). A number of heavy turn, have blamed the faltering ing from almost every ma the importance of power genera- water plants are planned indi- performance on the poor quality country in the world can be n tion not only for industrialisa- genously but none is at present and erratic supply of coal. This In the absence of standard

which it is committed to pro- The heavy investment in coal has a high ash content and able. But these measures t mote. The "rolling Plan" for power generation is obviously the quality of supplies varies, are not expected to materia 1978-83 has more than doubled intended to overcome in Boilers, not getting coal of the after a difficult situation ; the outlay on the power sector adequate allocations in the past right, specification and consist- power generation will contin from Rs 70bn in the Fifth Plan for power and to make possible ency, get damaged easily and to be a major constraint to over Rs 157bn, which includes additions to generating capacity, cause maintenance problems years to come, commencement of work on three But these are essentially long, and breakdowns. super" thermal plants and term solutions, even if success. Experts believe

commissioning of two units in fully carried out. It is widely utilisation of capacity can of the confusion that has the Madas atomic power station recognised that availability of improved by even a small plagued the entire area of and the first unit of the nuclear power can be increased and centage, much of the immediate the confusion and power plan implication and power plan implication and power plan implication and power plan implications are successful. plant at Narora in Uttar shortages mitigated to some problem will be solved. St Pradesh. Of the 18,500MW of extent by ensuring optimum it is basically due to poor in time. It has been a characteristic additional electricity to be utilisation of existing capacity agement that utilisation of all our Five-year Plans that additional electricity to be utilisation of existing capacity agement that utilisation of all our Five-year Plans that additional electricity to be utilisation of existing capacity agement that utilisation of all our Five-year Plans that additional electricity to be utilisation of existing capacity agement that utilisation of plants to capacity is low and breakdow there have been increasing 13,000 will be thermal, 4,500 maximum efficiency. Steps are frequent, almost every shortfalls in meeting power hydro and 925 nuclear.

The property of the plans that additional electricity to be utilisation of existing capacity agement that utilisation.

The property of the plans that additional electricity to be utilisation of existing capacity agement that utilisation.

The property of the plans that additional electricity to be utilisation of existing capacity agement that utilisation.

The property of the plans that additional electricity to be utilisation of existing capacity agement that utilisation.

The property of the plans that additional electricity to be utilisation of existing capacity agement that utilisation.

The property of the plans that additional electricity to be utilisation of existing capacity agement that utilisation.

The property of the plans that additional electricity to be utilisation of existing capacity agement that utilisation.

The property of the plans that additional electricity to be utilisation of existing capacity agement that utilisation.

The property of the plans that additional electricity to be utilisation of existing capacity agement that utilisation.

The property of the plans that additional electricity to be utilisation of existing capacity agement that utilisation.

**The property of the plans that a district t

continues to be a total inability result that additional capacity and the lack of adequate hydro principal agencies for carry to enforce even a modicum of tion of additional capacity and the lack of adequate hydro principal agencies for carry to enforce even a modicum of tion of additional capacity and the lack of adequate hydro principal agencies for carry to enforce even a modicum of tion of additional capacity and the lack of adequate hydro principal agencies for carry to enforce even a modicum of tion of additional capacity and the lack of adequate hydro principal agencies for carry to enforce even a modicum of tion of additional capacity and the lack of adequate hydro principal agencies for carry to enforce even a modicum of tion of additional capacity and the lack of adequate hydro principal agencies for carry to enforce even a modicum of tion of additional capacity and the lack of adequate hydro principal agencies for carry to enforce even a modicum of tion of additional capacity and the lack of adequate hydro principal agencies for carry to enforce even a modicum of the capacity works out to a relational capacity and the lack of adequate hydro principal agencies for carry to enforce even a modicum of the capacity and the lack of adequate hydro principal agencies for capacity and the lack of adequate hydro principal agencies for capacity and the lack of adequate hydro principal agencies for capacity and the lack of adequate hydro principal agencies for capacity and the lack of adequate hydro principal agencies for capacity and the lack of adequate hydro principal agencies for capacity and the lack of adequate hydro principal agencies for capacity and the lack of adequate hydro principal agencies for capacity and the lack of adequate hydro principal agencies for capacity and the lack of adequate hydro principal agencies for capacity and the lack of adequate hydro principal agencies for capacity and the lack of adequate hydro principal agencies for capacity and the lack of adequate hydro principal agencies Minister's recent package of grammes, they are notorious measures to stimulate indus- only for inefficiency but trial production takes into corruption. account the power situation, mentary committee of But it depends largely on hydro method of executing power generation, which at present jects: "Hardly any percep does not account for more than adequate proof. If one were is clearly an ambitious target 40 per cent of power supply in the institutional arrangem needed, to show how the through five "apper" thermal capacity. The main reasons for for survey, investigation. It is capacity of our manufacturing central Government at Singindustry is being impaired, how employment opportunities are employment opportunities are Korba and Badarpur, although mission losses which range from drag on for years." effective functioning of the munication of sanctions. thermal stations and huge trans- with the result that proje being permanently lost and there is considerable doubt over as much as 33 per cent in being deprived of hundreds of facture parts of the 500MW Maharashtra as compared to record the stations. A major part will be manufacture as compared to a stations. crores of rupees of badly stations. A major part will have average of just eight per cent in .Western countries.

The group's report is being supply from the public syst

power shortage in the northern. The managements, in their tenance needs of plants origin is a major factor since Indian tion of the plants, this is en

The Energy Ministry wanted clency of thermal units and to mended a shake-up of 30

improvement has been effect

The present government making efforts, albeit ad hot nature, to improve the pot situation. Because of the ct fortable foreign exchange p When the power crisis was at tion, imports of generating s

> Meanwhile, menopoly rest tions are not being allowed come in the way of establish fresh capacity—the sanction

> > K.K

RAW MATERIALS

INDIAN INDUSTRY XVII

Quite apart from her agricultural resources India is well endowed with industrial raw materials, including coal, iron ore and bauxite, and some big expansion projects are now under way or planned. Improvements in internal transport facilities and in the ports will be needed to make the best use of these investments.

Oil achievements

A SHORT while before this year's monsoon but the western coastline of India in June, crude and natural gas started flowing down the 208-km dual pipelines from the Bombay High offshore olifield to the coast. This was an important achievement by the Government-owned Oil and Gas Commission (ONGG). Even a week's delay would have meant postponement of the pipeline project until September since work on It is impossible during the rough weather of the monsoon. It would have resulted in interruptions in crude supply from Bombay High where oil was, until the pipelines were commussioned, stored in a large tanker and then shipped ashore aboard smaller tankers which do not always sail in stormy More important, completion

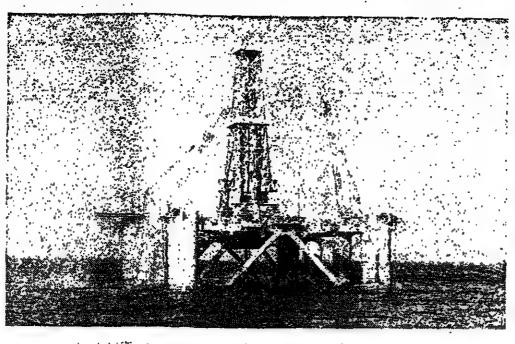
of the dual pipelines means that associated gas from Bombay Righ is no longer flared in the seas. As much as 1m cubic metres was being wasted every the way of formulation of plans for all these plants and the natural gas is for the moment heing used mainly for power generation. Nor, until a fractionalisation plant is completed in two years, will gas be available as domestic fuel. Yet a beginning has been made. beginning has been made production will increase both tribution to India's industrial growth and it richly deserves at roughly 7 to 8 per cent compandation for contractions of the experiment o commendation for completing the vital pipelines project in the vital pipelines project in record time.

Dramatic

discoveries in the western conare that India will need 47.5m
timental shelf have been contonnes by 1987-88.

The discoveries in the western contonnes by 1987-88. timental shelf have been confined to crude production. The major finds are restricted to Bombay High but production is soon to be extended to Bassein and other fields in the neighbourhood. Output from the off-spire structures is expected to response tructures a day by the end of 1978, or roughly a devel of 5m tonnes a year. This situation, as is apparent from regular approximately a sixth of region as during the Brahmaputra Valley and Tributerage of 393,900 exploration as during the Brahmaputra Valley and Tributerage of 393,900 exploration as during the Brahmaputra Valley and Tributerage of 393,900 exploration as during the bourhood. Output from the off-spire structures is expected to reserves and export exploration rate from the region from the existing 2.01m tonnes. ONGC feels that on the basis adjusted to the world oil price studies production of 5m tonnes at year. This situation, as is apparent from the rapid rise, in foreign cessions is a distinct possibility. Igda's needs or half of domes exchange reserves and the com. This would be in addition to power programme has suffered. The production of parative lack of inflationary Oil India's contribution from major setbacks—oil will still have an important place. In the 1880-81, sixthough the Planreason for the Planning Commission has recommission's caution about using India has been given another allocation in the draft plan for magnetical that country should be all reasonable the resonable and the recommission in 1978-83 shows that it attaches reserves are conserved for the coming decade will reach \$20 a pursuing vigorously since its caution is therefore some future when foreign exchange barrel and more and foreign seismic and other data have what purrling. and world prices may be higher, easily available then.

measure of the remarkable per- it wants the entire gap in pro- include those in northern India ONGC's efforts abroad, probably expected to be fully owned by crude to be used. If the latter success.



An oil rig near Bombay.

mended that output should be oil reserves since the prognosis onshore-offshore engession in 1978-83 shows that it attaches limited to 9m tonnes so that is that oil prices during the the Mahanadi basin which it is enormous importance to oil and rould become a constraint again exchange is unlikely to be shown promising possibilities. It

day and this quantity will now talks with Burmah Oil on take- and Oil India should concen-The Government has decided be available as a vital feedstock over of its 50 per cent share), trate on exploration of onshore that no foreign companies will for fertiliser, petrochemical and According to the last annual reserves. This may not be as be granted any more concessions power plants. Unfortunately, report of the Ministry of cheap as thought since recent political squabbles have come in Petroleum and Chemicals, strikes are in such inhospitable

present proven oilfields, both India, with the exception of the onshore and offshore, production by then will be roughly east, has not been fruitful, Until now ONGC's dramatic ments. Long-term projections iscoveries in the western con-

plans to spud its first well there Efforts That thought can be given to The Planning Commission next January. Other onshore restricting production is a has not made it clear whether areas being explored by ONGC

after two groups drilled briefly in the Kutch and Bengal basins They fulfilled their contractual obligations but left the impression that they did the minimum possible even though the prospects were good. ONGC has been given the major role in offshore exploration, largely because of its successes in the western continental shelf and the expertise it has gathered in After all, the prestigious Bombay High went into production just three years from the time the first strike was made, a performance that is probably unmatched.

concessions abandoned by the

Not so well-known are

formance by the country's two duction to be met through -where gas has been found in because they began recently and exploration organisations, ONGC imports or whether it wants the hilly regions—and the in a small way. It has success and Oil India (the latter is cheaper methods of extracting south, but so far without fully explored for gas in Songo Songo Island on contract for the the dovernment by the end of alternative is to be explored. Inevitably therefore the Tanzanian Government despite this year following prolonged the suggestion is that CNGC emphasis has shifted offshore, an initial blowout. Its concession in Iraq was also operated successfully and oil was struck; unfortunately, the flow was not sufficient for a country already rich in oil, although the strike would have been commercial in India. Iraq, has, however, agreed to use ONGC's equipment and personnel for contract drilling and this is a tribute to its expertise. ONGC has won a concession in Syria and opera-

tions are to begin there soon. Collectively, after winning leurels at home. ONGC has per tonnes of aluminium annually, formed satisfactorily in the

rates of growth of all industries On the face of it, it would super-thermal stations—by only foreign interests are the in the country."

The Government has moved India's ability to use sufficient using hydro power. But this National Iranian Oil Company quickly to exploit the deposits. Iranian crude to generate the ignores not only the much larger investment involved in Aluminium Company has signed required for investment in the countract with Russia's Travet
a couract with Russia's Travet
be developing hydro potential but take, particularly in the eastern of India, control of the oil industry will be entirely with the Government and further region.

The power situation in relation to the aluminium industry reorganising and restructuring

Playing a constructive role. In India's development. Tunneling through mountains, in Asia. And we're handling spanning turbulent rivers, building dams and barrages. the civil engineering work at the Kagera Sugar Project It's all in the day's work in Tanzania. In fact you for the Hindustan Construction could say that all the projects The Hindustan Company. We've built jetties we handle help build up and docks, airports, factories, India's image, Both at home nuclear plants. Our list covers and abroad. Construction Co. Ltd. Construction House, Walchand Hirachand Marg, Ballard Estate, Bombay 400 038. India, Grams, Cables: "HINCON" BOMBAY, Telex: 011-2180 WALGRUP, some of the most important construction jobs in India. Hindustan Construction Company. 52 years in the construction For example, the Farakka Barrage, the Idukki Arch Dam, the Bhilai Steel Plant, of dams, barrages, aquaducts, tunnels, bridges, pile foundations, buildings, townships, industrial structures, Raii-cum-Road Bridges on the Ganga & Brahmaputra rivers, and the Kota Atomic Power Plant. Recently, we've played a major role in the new power plants, marine Bhatsai Water Supply Project works and environmental -the largest of its kind engineering works.

Big discoveries of bauxite

THE INDIAN GOVERNMENT mine in Andhra. supply in the country."

for the setting up of a bauxite

it also expected to make a study would produce a total of 1m trialists have suggested the continued on Next Page

is positively euphoric about the Even bigger is the project placing the country in a com-short time that it has been look. In our of the aluminium industry that the French group manding position in the world ing outside, and Third World try after the recent massive Aluminium Pechiney—among aluminium industry. But pro-countries which hope to become discoveries of banxite deposits the four largest aluminium pro- duction of 1m tonnes will need oil producers have sought its along the eastern coast. The ducers in the world—has been about five power plants each of assistance.

Steel and Mines Minister, Mr. asked to launch, It is to make a 500MW capacity; the prospects. At present there are 10 Bitu Patnaik, says the dis- feasibility study for a large for creating this capacity solely refineries in India with a total coveries put India on "the banxite-aluminium complex to catering to the needs of the two capacity of 27m tonnes in terms world map for the production Orissa State. This envisages a projects is bleak in the context of crude throughput. With the of alumina or aluminium and bauxite mine, an alumina plant of. India's acute electricity commissioning of the new 6m-raise the hope of large of 600,000 tonnes to 800,000 shartage. Even if foreign finantonne unit at Mathura, now alumina or aluminium com- tonnes annual capacity and an ciers are available for the power being built with Russian help, plexes which could transform aluminium smelter with 2 projects required, there is con- and the expansion of the Koyali the situation in regard to non- capacity of 160,000 tonnes.

Siderable doubt whether the refinery by 3m tonnes and comferences metal production and Like other projects that Mr. Government will commit uself missioning of the Bongaigann Patnack has sponsored for to schemes which are almost refinery, total refining capacity His optimism stems from the development of the steel and entirely export-based and which is projected to reach 37m tonnes fact that while known bauxite iron ore industry, this complex will erode considerably the cual by 1980-81.

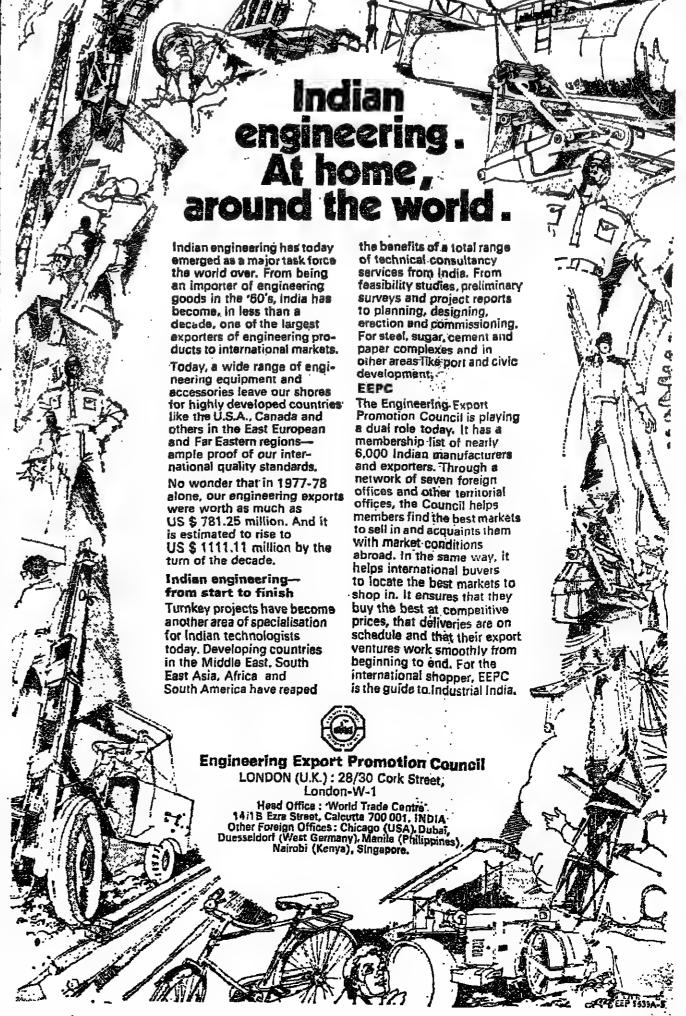
them close to 5hn tonnes, or project, the complex will supply nails feels that exploitation of other public sector companies around a fifth of the world's a major part of the alumina, the bauxite will be part of a have started functioning now reserves. Mr. Parnsik is nature possibly as much as 450,000 "package" of which power that the foreign refineries (Burally "excited" by the prospect tonnes annually. The Shah of development will be a part. His man Shell, Exxon and Caltex) revered deposits could set off a in this and the groundwork for question of using coal reserves ment (they have since been cumulative growth process a crude-for-alumina deal has "that could surpass the past been laid.

"That could surpass the past been laid.

"The company of the meal and Hinduster Data and Hinduster "that could surpass the past been laid. the economy of thermal and and Hindustan Petroleum). The rates of growth of all industries On the face of it, it would super-thermal stations — by only foreign interests are the

capacity on the east coast of Mr. Patnack claims that in the tion to the aluminium industry reorganising and restructuring Andhar State. The Soviet agency course of time the two projects is such that some senior indus-

reserves in India just five years is also export-based. To the reserves in both Orissa and Indian Oil Corporation, the ago were only 250m tonnes, the foreign financier willing to pro- Andhra. eastern coast finds have raised vide the funds to develop the



On a mountain top, enlightenment for the world The mountain top: Octy, India: The message: Hindustan Photo Films, You, too, can take your pick from the INDU range - one of the world's widest. INDUISFILM Photo Cine X-ray.

From Bali to Kuwait.

Losses in the coal mines continue to mount

underground mines in Bihar, battered. Indian states the industry

wage increases from the pairty across a broad cross-section of as industrialisation proceeded, it sums of before, and can expect Indian industry and the prob took the oil crisis of 1973-74 to

remain so low (one-third the to improve

COAL INDIA'S richly-panelled the problems of persistent performing below par. Calcutta's business district, steel output, irregular coal sup-policies, low prodetivity, stagstand in stark contrast to the plies and unreliable rail trans- nant output and underpoverty-ridden pavement life to port, which are all being blamed mechanised mining methods. be found on the streets outside. on each other in a great bout Though a more coherent long They are said to stand in even of buck-passing now preoccupy term policy is now in train greater contrast to the life of ing the public sector, appear to under the rolling ten-year per-the miners hewing coal in have left coal looking the most spective plan known as Project

Coal India's chairman, Lt to be done. Gen. K. S. Garewal, insists that As in Britain, India's coal in-In fact the position of the no production has suffered in dustry has suffered from its own 600,000 miners in the industry India for want of coal, and offi- start of the country's second has improved considerably since cials say the noisy complaints Plan of 1956 the railways were September 1975, when Coal about coal are coming from the the single largest consumer. But about coar are coming from the with greater use of disel engines second restructuring that followed nationalisation under Mrs.

Gandhi in 1973. For one thing But the shortfall is worsening taken by demand from the the miners have received large the under-utilisation of capacity power steel and other sectors more when their agreement is lems remain unsolved, although put a new lease of life into the renewed at the end of the year, stockpiles are being used and industry.

That, however, has contri- committees have been convened. Thus That, however, has contri- committees have been convened. Thus, while production buted to other problems. In to help co-ordinate the various repeatedly fell short of target spite of passing on the higher sectors concerned. Indeed, the in the second, third and fourth

Worst of all for Coal India, lem, having overtaken last year's stocks had to be depleted. chief bugbear, an explosives This sensitivity in demand

cautiously by Government and

The serious railway bottlewhich has a powerful impact because 80 per cent of coal mined goes to major consumers by rail, is partly the product of incompetent railway management and labour problems and partly the result of inefficient manual wagon handling at the mines. But the main wagons caused by the need to move large stocks of perishable food grains and much-needed fertiliser and coment. The monsoon has simultaneously added to the trouble.

The turnround time for railway wagons has increased substantially in recent months, perhaps by as much as a half. In June Coal India took over full responsibility for marketing and distribution of coal, with the realways acting so carrier

India's coal industry would be rise.

headquarters in the centre of power shortage, unsatisfactory point to inadequate pricing Black Diamond, much remains

wage costs, Coal India's prices flow of coal has recently begun plans partly because not enough licences were granted to price of oil) that its losses are Production of coal, a key import parts for plant and continuing to mount (a record source of power in India, has machinery—the first two years Res8om last year) and are itself suffered from power of the Fifth Plan saw annual becoming a political as well as shortages. Mines need the electrargets exceeded. But demand a financial headache. At the tricity for ventilation, for raisturned sluggish, output stagment into those coal price rises ing, hauling and loading coal nated and pithead stocks which have occurred are being and for the washeries. Coal climbed. Then with a turnused to decry nationalisation as india officials describe these round last year, power shortages shortages as their biggest prob- and labour troubles struck, and

> and supply is what makes The explosives shortage was Lt-Gen. Garewal emphatic about that an exporting steel plant export programme has had to to buy Indian coal. Earlier caused mainly by industrial the need for a proper national depends for success on cheap be reconsidered. India had year Japanese companies it action at two companies. Indian stocking policy. He says every coal which, if it was exported planned to export 2m tonnes in cated they wanted a long-tothree months anything between in the midst of plenty because this but retort that Coal India the EEC. 3.000 and 6,000 tonnes of of thevarious problems between needs to improve its manageexplosives in order to avoid a coal-face and customer. Pit- ment and its industrial relations Programme hold-up in production as head stocks are too low, but record. There is much talk of able to produce for its seasonal peak outputs start productivity too has not im- again restructuring the whole Coal India says its commit-because of the high ash confidence. being reched at the end of the proved enough—it is still a frac-industry. tion of European levels.

isation is emphasised by the atr-Industrial action has taken its five year plan, which envisages Industrial action has taken its five year plan, which envisages toll in the coal industry as well.

Mines suffer from go-slows and public sector mines by 1982-83 strikes over anything from housing to the effects of power from the captive mines of the m suts, and with five unions repre- TISCO and IISCO steel plants). Government should consider power generation sector). Absenteeism is also a problem. was barely 100m tonnes. About basis"

> creased by over Rs 100 a month. ago. Altogether prices have risen

depreciation and interest. At over the future of the Bharat Aluminium (50,000) and compensate it for losses Rs60 a tonne, prices are about aluminium industry, it comes as Madras Aluminium (25,000), account of higher taxation. Rs12 below break-even point. something of an anti-climax to The public sector Bharat that large-scale imports to Meanwhile it is being purchased find that India will be short of Aluminium is likely to expand become necessary, the Meanwhile it is being purchased find that india will be short of Allamanian as the control of the metal for the next five its capacity by another 50.000 pricing policy is will the west coast, away from the years. From an exporter just tonnes by the end of this year, imports of at least Hindustan Aluminium has industry circles—to come industry c

EQUIPMENT



A front end loader produced by Bharat Earth Movers.

Thus there is unhappiness because of a coal shortage, the abroad are nevertheless see

Exploseives and Indian Detons- consumer should have 45 days' directly to those demanding its 1977-78, and the Minerals and coal import arrangement, it tors, though power shortages stocks, the cost of keeping them widely sought low sulphur Metals Trading Corporation last was a rejuctant seller. had an impact on explosives being less than the cost of not qualities, would yield even more year launched an export drive in ()ver the next four-live ye production, too. The effects are having coal available at all. money and earn Coal India the Western Europe to take half of it is said, exports are unlike the being felt. Coal India is Whatever the case, this year credit it now falls to receive, it. Altogether 648,000 tonnes to exceed 1.5m tonnes annual to the case, the said of the case, the case of the case, the case of the case, the case of the case of the case, the case of the case importing over the next two or people are talking of scarcity Opponents have little answer to were exported, about half to On the import front, Im ton

ments are being met, but that of the local coal. In spite of Coal India's claims it is not accepting new obliga-The need for greater mechan- that no production has suffered tions at the moment. Countries

a year is planned by 1982 mostly of the high qual coking coal which ludia is 1

Bauxite Continued FROM PREVIOUS PAGE

about 200 per cent since nationalisation, while wages have aluminium industry and the
climbed 400 per cent. But both
State Electricity Boards. The
290,000 tonnes of electrical Costs and Prices has submit

Costs and Prices has submit

102,22 climbed 400 per cent. But both remain low by European standards. Coat is Rs 80 (£4) a between the Uttar Pradesh tunne at the pithead. Coal-face Board and Hindustan Aluminium production is 1982-83.

The main complaint is not that prices are not matching of the Birla-owned company.

State Electricity Boards. The 290,000 tonnes of electrical grade aluminium in 1982-83.

At present the installed capacity for aluminium production is 260,000 tonnes. Although there are 55 units, the bulk of capacity is accounted for by four companies—Indian Aluminium (96,000 tonnes).

Ruffer Pradesh as submit a report on the price for aluminium industry and it widely expected that so there are 55 units, the bulk of capacity is accounted for by four companies—Indian Aluminium (96,000 tonnes).

Ruffer Pradesh as submit a report on the price for aluminium industry and it widely expected that so there are 55 units, the bulk of policy will be made. This capacity is accounted for by four companies—Indian Aluminium (96,000 tonnes).

Experts say, however, that handling and insurance charges, 20.000 tonnes are to be made on asked for another 25.000 tonnes end. even without the rall problem, which have been allowed to a "crash" basis (ironically, but this has run into trouble ladia's coal industry would be rise.

senting the miners rivalry This is optimistic by historical exporting bandite for processing. The Planning Commission has The industry is presently between them is inevitable, standards; last year's output into aluminum on a "toll studied production trends and the paradoxical position of the to countries having come to the conclusion that the dependent on the power gen This year's negotiations are half is expected to come from adequate power supply. They deficit will rise from 58,000 tion sector for its main to believe it would be to India's toungs in the period 1978-90 to and of being also the sector for its main to believe it would be to India's toungs in the period 1978-90 to and of being also the sector for its main to be it would be to India's toungs in the period 1978-90 to and of being also the sector for its main to be it would be to India's toungs in the period 1978-90 to and of being also the sector for its main to be it is to be in the sector for its main to be its main to be in the sector for its main to The real complaint from the advantage to persuade Japan as much as 97,000 tonnes in main supplier. This in producers, however, is over low and the Scandinavian countries 1981-82 and to 103 000 tonnes dependence has taken the pricing. Coal prices were raised like Norway to use their surplus in 1982-83. This is based on a of a much-criticised dual way. for the second time since power for processing Indian high 85 per cent utilisation of policy under which a journationalisation in January, 1975 bauxite as was done in the case capacity (compared to the price (fixed by the Government when miners' wages were inrequirements of the Central electrical grade aluminum;

that prices are allowed to cover the Steel and Mines Minister Endustrance (50,000) and the price of the Birla-owned company.

Aluminium (96,000 tonnes), Budget on commercial grawards but that no price of which is controlled by Alcan, aluminium, the price of where the steel and Mines Minister Endustrance (50,000), was raised by the industry

For further details, please contact

4 Mangoe Lane. Calcutta 700 001, India 2 Fairlie Place, Calcutta 700 001, India

Principal Offices:

MACNEILL & MAGOR LIMITED

Uttar Pradesh Governo As At is, lack of power has led an ambitious Rs 150bn pro- and distribution of poi

When you're planning your next project talk to the pros at Paharpur. But for now, think of the five million U.S. Dollars worth of cooling towers which

mum of maintenance down time.

they have exported. Nobody takes the heat off like



In Technical collaboration with The Marley Company, USA.

A beach resort hotel in Bali ? A mini-steel plant in

Malaysia? A petroleum refinery in Kuwait? Pahar-

Paharpur. People who have built more water cool-

Ing towers than anybody else in India. People who

Learned how to design towers to do more in less

space. Make them serve dependably, longer, And

perform to specs under an almost infinite variety of ambient and terrain conditions and limitations. The

same performance reliability for which Marley is

And learned that the only way to make sure it's all

done right is to design and manufacture the major

components themselves. So everything works toge-

ther properly and keeps on working with a mini-

pur has supplied cooling towers to all of them.

have learned a few things in the process.

famous the world over.

CALCUTTA-700027 . INDIA PHONE: 45-8966 (3 LINES) CABLE : WOODJOINER TELEX: 021-3293

Write to us for our brochure :

"Can Paharpur of India give you World's Best Cooling Tower ?

PAHARPUR COOLING

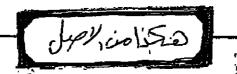
TOWERS PRIVATELTD

Heme Office : 1-B JUDGES COURT RD.

Sales Representatives in : SINGAPORE, KUALALUMPUR, KUWAIT & TEHERAN

INDUSTRIAL MACHINERY MATERIALS ELECTRICALS HANDLING Printing One name REPROGRAPHICS says it all INDUSTRIAL DIAMOND PRODUCTS formost things MACNEILL & MAGOR engineering The Macneill & Magor Group of covering the whole of India through India, an associate of Inchcape Regional Offices and through and Company Limited, London, numerous branches spread all and of the world-wide Inchcape over the country. This marketing Group of Companies, is a national network of competent engineers organisation with operations and service staff ensures personal embracing a wide variety of semi- contact, and efficient after-sales **GREY TRON**

CASTINGS



Capital and intermediary engineering service, not only in India but also

engineering factories are supported equipment manufactured by the

by a sales organisation of engineers Group have been sold.

equipment. The Company's in overseas countries where

Sense of mission at Kudremukh

AN ATMOSPHERE of urger fills the unimposing off-white building in Bangalore which houses the Kudremukh Iron Ore Company. The first indication is a sign prominently displayed adjacent to the reception desk: "536 days to go," it proclaimed starkly one day last month. Inside, workers on each floor move rapidly about their husiness or decisions are taken business as decisions are taken and orders are executed. A sense of mission penetrates all

The focus of the activity is a mountainous site 360 kms further west, where mining of la vast 1,100m-tonne outcrop of mainly magnetite iron ore must begin by 1980, feeding steel plants far away in Iran. Some 30,000 men are working against the clock to heat what without the clock to best what, without the Government's political com-mitment to the whole scheme, would seem an impossible dead-line. As it is, India's largest-ever mining project and the enormous construction scheme associated with it could be one of the most efficient operations in the country today.

The main target is December

time to mangaiore on the west. The contract for the sale of steel plants which Iran is build- one way or another in the pro-

the to Mangalore on the west coast, construction of filtration

The contract for the sale of and daying plants at the port the concentrate therefore contains a clause allowing for a sand shiploading facilities. On rise in the selling price of suthority is deepening the harbour and building a wharf at and an escalation formula allowing from the terms of the deal with fran. People have had their eyes on the ore body in the western Ghats for years, and at one point in 1974 India's National Mineral Development Corporation had virtually sewn in the mangany been concluded by the then the recession hit, steel's separately five months later, the first time matters: "No worker her country involved the two electric arc furnace all over the country involved the steel plants which Iran is building, also against a deadline. The Kudremukh Iron Ore Company itself is peopled with men who have experience both of large-scale enterprises and the price of \$22 a tonne from who have experience both of large-scale enterprises and the price of \$22 a tonne from the terms of the deal with Japan to supply increase after the first three sector. Kudremukh Iron Ore Company itself is peopled with men who have experience both of large-scale enterprises and the price of \$22 a tonne from the sector. Kudremukh's chairman to the price of \$22 a tonne from the terms of the deal with Japan to supply increase after the first three sector. Kudremukh Iron Ore Company in the sector. As for the Kudremukh Iron Ore Company in the sector. As for the Kudremukh Iron Ore Company in the sector. As for the Kudremukh Iron Ore Company in the sector. As for the Kudremukh Iron Ore Company in the sector. As for the Kudremukh Iron Ore Company in the sector. As for the Kudremukh Iron Ore Company in the sector. As for the Kudremukh Iron Ore Company in the sector. As for the Kudremukh Iron Ore Company in the price of \$22 a tonne in the contract of Iran stepped in, tough negotia- from other iron ore activities in

THE KUDREMUKH takes India another step to-

wards realising its enormous

potential as a major iron ore

producer. Estimates of reserves

vary, but reliable calculations

put proven reserves at about 7.5bn tonnes and inferred

duced an estimated 41.6m tonnes, marking little change

on levels of the previous two



The Kudremukh project.

Potential in

iron ore

Under the sale and purchase ing obstacles. In August 1976 in the same building and concontract signed in November Canadian Met-Chem, a sub-tracted by Kudremukh to take pliers to fill their terms. tonnes of Iron ore in concentence of a similar project in vision and execution of the approaching with the start of trated, virtually powdered form Canada, were appointed con-project, has a 40-year-old Indian other cambellands.

The main target is December 1979, for the "mechanical completion of works" prior to testing and commissioning. This includes construction at the sife of storage silos, crushers, concentrators and a dam for the failed Japaness deal, thought for 3,000 mine a township for 3,000 mine workers having shops, a cinema, hospital and a club.

The figure for the loan came finished product that must be plaints about the support he shipped, a level which the company hopes to reach within three years of starting production. The mining equipment to sit on any paper," he says, made no mention of the port will be the largest ever used in ordering and contractors. "No one is allowed in ordering and contractors, all of whom are Indian, and the ore will have to incommission a new project report.

The figure for the loan came finished product that must be plaints about the support he shipped, a level which the company hopes to reach within three years of starting production. The mining equipment to sit on any paper," he says, will be the largest ever used in ordering and contractors, all of whom are Indian, and the ore will have to incommission a project report.

The figure for the loan came finished product that must be plaints about the support he shipped, a level which the company hopes to reach within three years of starting production. The mining equipment to sit on any paper," he says, will be the largest ever used in ordering and contractors, all of whom are Indian, have been right up to the mark.

The figure for the loan came finished product that must be plaints about the support he shipped as a siurry, made no mention of the port will be the largest ever used in ordering and contractors, all of whom are Indian, have been right up to the mark in the product that must be plaints about the support the observation. The mining equipment to sit on any paper, he says, and then reconstituted in ordering the bulk of the ordering the bulk of t

Tran stepped in, tough negotis- from other from one activities in senior people on Sundays, too." a result there is much "expeditions began and a deal soon India, no doubt to by-pass some for beauty of the bureaucratic and account. Canadian Met-Chem. housed ing "(a suphemism for heavy

is clearly a cause for concern. In addition, though testing and commissioning will take only three to four months in early 1980 if the schedule is kept to, the leeway this provides for the September shipping deadline is minimal because the Kudremukh site receives 7.000 mm of rain—the second heaviest in India—in the June-September monsoon months, a problem confronting workers at this moment even though it has been allowed for in the

1973 73-74 74-75 75-76 76-77 77-78 82-61 Khanna says the cost of the project is now put at \$717m. 35.7 35.7 35.5 42.5 44.4 41.6 65.0 Internal consumption ... 15.1 12.0 13.2 15.5 17.6 19.7 25.0 representing an escalation of 20.6 23.7 22.3 26.1 26.0 21.9 40.0 less than 10 per cent annually a rise of which he is proud and and which he says has been contained by the low equipment prices available during the Japanese shipment is said to the development of new world recession. With most of necessary equipment

be needed in fairly large numbers. Such Indian workers are in short supply these days as many have taken their skills to the Middle East, where they can earn better money on short contracts. So far the Kudremukh project has not run up against this problem, but it

Many countries export vehicles. Some have even set up assembly plants in other countries. in collaboration with local companies. But a very few countries in the world

Generating growth. In various fields.

So that cities could grow, farmlands flourish, factories

spring up. We've provided all kinds of pipes—steel,

schemes in all the main cities

of India. And for irrigation

hume steel, prestressed concrete, etc.—for water supply and drainage

That was our goal, To achieve projects in precious "green it, we started at source— revolution" land.

the waterways of India, We layed pipelines, established water supply schemes, played a major role in hydroelectric power projects.

So that divise could grow and was been projects in precious "green revolution" land.

We've fabricated and erected over 70,000 tonnes of steal penstocks, contributing to the generation of about 40,00,000 kilowatts of electric power!

And we've supplied railway

further sfield, offering the benefits of our experience

Nonsense.

Who ever heard

automotive

know-how.

of India exporting

transport and communications. Now we're venturing

countries. Contributing to

sleepers, to facilitate

to other developing

their growth.

export automotive knowhow. India is one of them: Indonesia makes Bajaj scooters and three-

wheelers under licence. Taiwan produces Bajaj scooters.

And between them they have paid India over Rs. 3.7 million as technical know-how fees.

Scooters and three-wheelers, too

Of course, Bajaj Auto also exports large numbers of vehicles.



Over 23,000 scooters and 9,000 three-wheelers have gone to various countries in Asia, Africa and the Middle East, bringing in over Rs. 110 million in hard currencies. The Indian

Read, Office: Constru

Hume Pipe Co. Ltd.

Plus, the Government has received more than Rs. 650 million in foreign exchange for priority allotment of Bajaj scooters.

How does Bajaj Auto do it?

. By making the best scooters and threewheelers in the world.



The world's second largest scooter makers

The industry's growth is thus highly dependent on world

the major importer or india's two sides took place in April. favour the sinter and pellets pro- was a beautiful wilderness. At of total exports, is reported to Japan has been an important duced from iron ore "fines" this moment 30,000 workers are of total exports, is reported to Japan has been an important rather than the "lumpy" ore, swarming over the area. In two have taken only 6m tonnes of market both because of its rapid ore from the Bailadila mines as growth and because it is geo-against 8m tonnes provided for graphically close, but India under the long-term contract needs to broaden its outlets, signed in 1970 between Japan and the Minerals and Metals countries, and to continue try-and the Corporation of India ing to improve its share of the (MMTC), the body handling world market, which by 1973 about half the tonnese sent abroad. As a result, MMTC drew are abroad. As a result, MMTC drew are country's draft economic plan, bailadila. Protests at refrenchment by one of the private companies resulted in police firing 55m tonnes (including the 7.5m mantes) and the continue try-and to improve its share of the currently has two pelletisation the place to 3,000 mineworkers.

It makes sense for India to years' time they must abandon invest more in pelletisation the place to 3,000 mineworkers.

It was succeed. Says a senior Kudremukh official, higher value. The country similar projects could be currently has two pelletisation the place to 3,000 mineworkers.

If we succeed. Says a senior Kudremukh official, higher value. The country with plants operating with a total confidence. Khanna echoes this view. The project has to third 1.8m tonnes plant due in succeed, he says, "because the shipping its entire output to great." Kudremukh is thus as Japan under a 10-year contract. Important for India as it is for There are now proposals for any of the politicians, companies resulted in police firing 55m tonnes (including the 7.5m the country try in pelletisation the place to 3,000 mineworkers.

In the succeed of the place to 3,000 mineworkers.

In the try in pelletisation the place to 3,000 mineworkers.

In the country try with plants of the place to 3,000 mineworkers.

In the country that its two pelletisation the place to 3,0 ore from the Balladila mines as growth and because it is geo-

panies resulted in police firing 65m tonnes (including the 7.5m at Bailadila in which at least tonnes from Kudremukh), and 11 workers were killed.

There are now proposals for any of the politicians, common functional from Kudremukh), and oriented pellet plants. Altogether the shortfall in ment Corporation is engaged in

reserves at about 14bn Production tonnes. Last year India pro- of which: † Projected.

IRON ORE OUTPUT

(ma tennes)

1972-

years. Most of it was from haematite ore. Kudremukh represents the first large-scale

exploitation of the country's have reached some 14m tonnes deposits.

In the last year in the projected output will be the necessary equipment to months to March this year ing this projected output will be moved once an upper limit.

Only about 40 per cent of output gues towards meeting the requirements of India's total exports were 2.8m improved once new port facility tonnes short of the 24.2m tonne ties come on stream and bulk mistic that the predictable problems, the rest being exported. stocks may be possible with the experts doubt that it will be the steel is ordered and pick-up in the steel market at reached in the intended time. It delivered. The dependence on

markets. The Department of Steel notes in its annual report for 1977-78 that the acute recession in the world steel industry resulted in a slump in demand which meant that India's iron ore exports did not grow, producing large inventories at the ports, railheads and mines.

Japan, for example, which is the major importer of India's iron ore major importer of India's poiled. Negotiations between the two sides took place in April. home, there is continuing con- is also reckoned that the profit- the railways is not great be-

it makes sense for India to years' time they must abandon

In Taiwan, Bajaj Chetaks are made by Paijifa Industrial Co Ltd. The P.T. Tunas Bekasi Motor Company, Indonesia produces Bajaj Super and Bajaj Chetak scooters and Bajaj three-wheelers.



tea industry in India as well as industry is

iderably better than the 63.6p

to witness an upturn within the

and may not match the esti-

mated international demand for

Indian producers, however,

are having to keep their fingers

crossed. For them the decisive

factors will not be the level of

prices in London only but the

policies and attitudes of their

own government, which has completely gone back on its word to abolish the export duty

when circumstances call for it.

Although the year is over seven

months old, it has not yet

decided how much tea export

common grades of tea.

tes in 1978-79.

Decisive

to permit.

in other parts of the world may auctio uprices and even export

have to face market uncer-shipments to pressurise New

Coats and Clarke of U.S.A.?"

We're no strangers!

To textile buyers the world over, we're no strangers. They've come across our name in international markets. They've put their trust in our products worldwide.

What you might be a stranger to is our new Commercial Group. And what it can do for you in India. It can do just about anything. Get you the best of Indian

handicrafts, textiles, garments, carpets, jewellery, spices, tea and such traditional articles, to sophisticated electrical and electronic goods. Get them to your exact specifications (not a shade of difference between the sample and the lot). Get them to you on time. Call us. Or rather, call the Commercial Group of Madura Coats. "What! The same Coats" of Coats Patons U.K. and

The very same. So you won't be dealing with a total stranger.

Madura Coats

Other Coats associates in: Australia — Coats Patons - Austria — Harlander Coats G.m.b.H. - Canada — J. & P. Coats - Finland — Coats - Finlayson Oy - Italy — Cucirini Cantoni Coats S.p.A. New Zealand — Coats Patons - Philippines — J. & P. Coats Mantia Bay Inc. - Spain — Cia Anon. Hilaturas de Febra y Coats - Thailand — Thai Coats Thread Co. Ltd.

GOA SHIPYARD LIMITED

(A Public Sector Undertaking)

Centrally situated in the Arabian Sea on the West Coast of India in one of the busiest Iron Ore Handling Ports-MORMUGAO

We are Shipbuilders, Shiprepairers and Engineers. We are specialists in Hull, Marine Engineering, Electrical Radio/Radar repair work. We undertake construction of Fishing Vessels, Tugs, Dredgers, Barges and Harbour Crafts. We tackle, on demand, repair jobs on board sea-going vessels calling at Mormugao. We also carry out repair work in connection with Annual Surveys and other maintenance jobs on Barges and Harbour Crafts. We have four Slipways. We are the approved and authorised Agency for Testing the Ships' Derricks, Lifting Appliances. Life Boats, Fire Fighting Appliances and Safety Equipment on behalf of the Dock Safety Inspectorate and to MMD requirements.

Our Shipyard is an ideal "Terminal" check point and offers wide range of services to suit your specific needs for shiprepair work to keep your vessel at Sea. We operate a well equipped Floating Workshop to provide repair services to the ships in the stream at Mormugao Hatbour. Our team of competent Marine Engineers backed up by modern and well equipped workshops in the yard ensure a high standard of vessels and maintain them in a sea-worthy condition. The ships attended to by Goa Shipyard Limited can be assured of trouble free sea voyages. For dependable and reliable quality services and workshop assistance you can always contact us and summon us for help by ringing Vasco Da Gama Telephone Nos. 2151 to 2156 (6 lines).

Telex: 0191-218 Grams: 'GOAYARD' GOA SHIPYARD LIMITED VASCO DA GAMA GOA: 403802

anufacturer of alloy steels.

Price worries for tea THE DOWNWARD course in few months more tea prices since the beginning gardens are bound to get sick. of this year - at both the Lon- The Government is not as yet don and Indian auctions - impressed by the pleadings of seems to point to an inevitable the tea producers that the conclusion. The boom which export duty be abolished or began early in 1974, and grew suitably modified forthwith if into a superboom in 1977, is the industry is to be saved. It fading, and sooner or later the feels, and also says, that the

tainties like those of the lean Delhi into abolishing the duty.

years before 1974. The industry has suggested The industry has suggested But this pessimistic con-that at least an export ceiling clusion is not as yet fully war- can be announced, a lower one ranted by market trends. The of 200m. kilos against the pre-London price has come down vious year's 225m, but that is from 241p a kilo in April 1977 something the Government is — the high point of tea's pros- not willing to do. It would like perity — to 118p a kilo in to be sure of the size of this recent weeks, but it is still con- year's crop first.

What the 1978 crop will be is a kilo which was the average anybody's guess. Because of un-for 1975. Moreover, some ex- favourable weather in the north perts in the tea industry think the Indian crop up to June was that the world market is likely just 5m kilos less than at the corresponding time last year. next two or three months as But since then weather condiglobal production is running tiens have greatly improved behind the previous year's crop and rainfall in tea growing areas has been quite adequate. It is most likely that the deficit will be made up and a crop of 550m-560m kilos eventually

> If exports do not go up at least 200m kilos, not only will the country have lost a substantial amount of foreign exchange and part of the established and kucrative market; there would be just too much tea for the domestic market to absorb. That would dangerously depress prices, with ruinous consequences for the financial health of the industry. What seems so far to have

escaped Mr. Mohan Dharia, Minister of Commerce, is that while India's tea exports, par-The Rs5 export duty adds ticularly to London, have been something like 35p to the falling. Britain has not stopped landed cost of Indian tea in importing from other sources, London, taking it to 132p a and thus so some extent kilo, where the realisation on obviously at India's expense. the basis of current auction Kenya, for one, is exporting a prices comes to something like let more than usual to Britain, Indian output 118p a kilo and less for and Sri Lanka, though with a smaller crop so far this year, 1973 A loss of 14p to 15p a kilo is also gaining markets from 1974 can hardly be an incentive for India.

and more ten abroad. As the in Indian exports, and Board's figures show, Britain, at a greater rate than India's tea exports in the first to other destinations, the Tea kilos. The lack of interest is ing, what may be broadly recoup the lost ground." If century. Of that larget, domestic keeping exporters away from called non-sterling tea in this really happens or is become the auctions, with the result terests, warns: "About 30 per that at tea sales all over the cent of our tea exports go to Indian tea's uncompetitiveness It needs to be pointed out, however, that at tea sales all over the cent of our tea exports go to Indian tea's uncompetitiveness to be pointed out, however, that the impressive growth offerings are having to be with fracecare to be possible to the lost ground." If century. Of that larget, domestic recoup the lost ground. If century the lost ground it is extremely at the moment, then not only is offerings are having to be with fracecare to be possible to this really happens or is because of take 720m kg, exports the rest. It needs to be pointed out, however, that the impressive growth is the lost ground." If century. Of that larget, domestic recoupling the lost ground. The century of that larget, domestic recoupling to happens or is because of take 720m kg, exports the rest. It needs to be pointed out, however, that the impressive growth is the lost ground. The lost are the consumption is scheduled to take 720m kg, exports the rest. It needs to be pointed out, however, the lost ground in the lost ground." If century of that larget, domestic recoupling the lost ground in the lost ground in the consumption is scheduled to the lost ground in the consumption is scheduled to the lost ground in the lo half of 1978 are down by 12m Association of India, represent offerings are having to be with necessary to be cautious in the Indian industry losing in Indian tel output since 1974 drawn for want of sufficient dealing with the London centre. markets now but clearly its has taken place not because of huvers and adequate malast. buyers and adequate prices. The switch of British blenders One major plantation associa- from Indian teas to other teas tion has already warned that if will have a far-reaching effect this situation continues for a and it will be difficult to



Farming in Maharaslitra.

OUTPUT AND PRICES

Pence per ka

The committee which the Minister Commerca appointed to report, among submitted its findings yet - an aspect of the industry to be but it would be very surprising treated casually or carelessly. if it found really weighty India's share of the world grounds for ending the London market has fallen from 45 per connection. As the president of cent in 1951 to barely 27 per the Indian Tea Association. Mr. cent in 1977, but tea has re-M. Ahmed, has remarked, Lon-mained a substantial foreign don sets the trend of the world exchange earner. India's share level of tea prices. Being the in world exports has not gone biggest importer of tea," he down so much absolutely as progoes on to explain, "it [Lon-portionately because of its don] is watched carefully by failure to win for itself a bigger other importing countries which share of an expanding world pay according to levels existing market. If its exports are to rise at London. The last two or to 480m or 500m kilograms per three years are classic examples year by the end of this century, of the sway London holds over the industry and the Governworld prices. The tea producer ment will have to think out had to wait two decades before their strategy now. prices started moving up in London and the moment this happened the rest of the world

Auctions

ticipation in London auctions, view, the Indian Government India as the world's largest should help all the sterling tea single exporter and biggest pro- companies convert themselves ducer would have to continue into rupee concerns in terms of to take a close and active in its Foreign Exchange Regula-Mincing Lane.

The current policy of regu-lating exports in the context of a rapidly expanding domestic is itself restricting exports.

active member of the Inter this feat has been achieved in national Tea Promotion Asso, the organised plantations run by ciation which will come into the sterling companies. Exports being soon, with the specific apart, the industry now urgently object of exploring new outlets needs much developmental for the consumption of this effort by way of extensions. beverage. The contradictory replanting and new planting attitude of the Indian Govern- requiring an investment of at

It can be reasonably argued decay sooner than most people consumers imagine. domestic cannot be neglected to feed to Experts say that a rational

be maintained to keep the in-important sector should be dustry in sound financial health, brought about in the quickest That the current depression of auction prices is entirely due to poor export demand demonstrates this fact vividir.

There has been criticism that India has tended to

neglect the agro-based industries, in which she should have a comparative

advantage, in favour of capital-intensive heavy industry. These industries account for a

substantial part of industrial employment and of exports, but the scope for

expansion, given suitable encouragement, is considerable.

The big domestic market is important for future planning. industry covering to to the year 2000, a target of 1,200m kg has been set up by he end of this If century. Of that arget, domestic long-term interest is also being the expanding domestic market. which absorbs over 300m kgs and is growing by an additional has 11m to 12m kgs annually, but under the stimulus of a strong other things, on the wisdom of international demand (which is continuing to send Indian teas reflected in the auction prices in for auction in London, has not London). Exports are too vital

India's share of the world

An aggressive or effective long-term marketing strategy can be worked out with an appropriate organisational structure. Large and efficient groups are needed to provide the professional and go-ahead manage Whatever the eventual deci- ment that successful export sion the Commerce Minister enterprises all over the world may take about continued par- require. From this point of terest in the world tea market, tion Act (FERA), and not let whose barometer happens to be them be harassed by some controversial tax liabilities as the

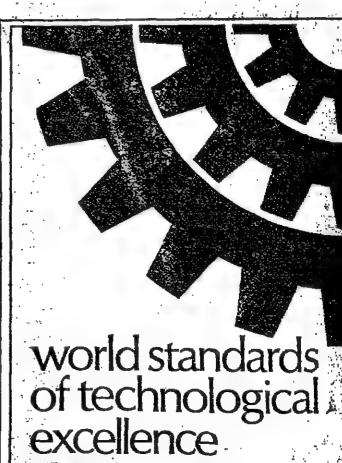
market, over and above an ex. the financial and managerial port duty, amounts in some resources to be efficient proeyes to a policy of "de ducers and exporters of tea and emphasising exports." That may the Indian tea industry has not have been the Minister's in. attained the heights it has tention, but it is very ironical largely because of their efforts. that India, having worked so India has already achieved the consistently hard for the ex distinction of having the world's pansion of tea markets overseas, highest per hectare yield in the main tea growing areas of the At the same time, it is an north as well as the south, and ment has left producers per- least Rs. 500m per year, without which the industry will begin to

export markets. It is equally reorganisation of the industry

true however that a reasonable to take care of all the emerging possible time in the interest level of exports, at least 40 per financial, managerial and mar- of tea's long-run growth and cent of the total output, has to keting problems of this very presperity.

P. C. Mahanti

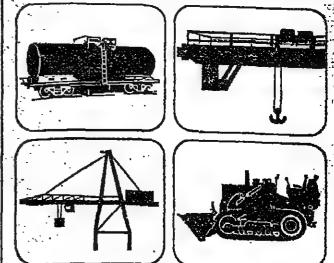
HAROMA LECY 00 varietie corrections teno-molybdenum feiro: eels, Tool Steels, File mulibenev chei "mulinand and ferro-boron. With the installation of the eels Ball bearing Steels ee Cutting Steels, Spring eels and Construction eels and Construction long forging machine, our menu of high grade steels. has even more to offer! ading needs of your What is your special steel order? VISC established in LET VISL CATER TO YOUR PARTICULAR NEED!



Jessop

Jessop & Co. Ltd., established in Calcutta in 1788 are pioneers in the heavy engineering field in India.

Manufacturers and exporters of highly sophisticated and modern cranes for the steel plants, shipyards and docks, railway rolling stock, paper machinery, road plant equipment, ropeways and other material handling conveyors, structurals and industrial machinery, Jessop has always assured world standards of technological excellence both for the home and export markets.



Jessop & Co. Ltd.

63, Netaji Subhas Road, Calcutta: 700 001.

Casting around for expertise?

INDIAN INDUSTRY XXI

Revised policy for cotton textiles

THE COTTON textile industry, the largest single manufacturing sector in the country with a weightage of 12 per cent in the industrial production index, has been going through so many ups and downs that it does not really know how to react to the announcement by the Government of the first integrated textile policy. Its spokesmen have publicly described the policy as "realistic" and "pragmatic" But this is an initial reaction stemming largely from the fact that the mills are freed of the additional than the fact that the mills are freed of the obligation to produce what is called "con-trolled cloth." They have long been blaming this uneconomical obligation for their ailments since they have to earmark substantial capacity to produce low-

priced cloth meant for the

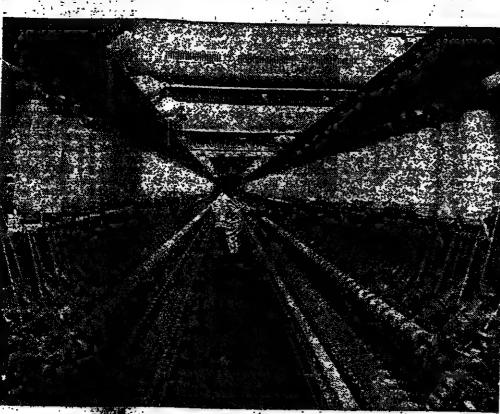
perer sections of the popula-

This requirement will be lifted from October I next Since the mills have been insist-ing that compulsory prediction of such cheaply priced cloth is the principal reason for the textile industry's troubles, they are obviously surprised by the siparent willingness with which he Government has let them off the hook. Some sense there is a catch which they think the industry will quickly realise. In the "financial burden" involved dication that the is the new scheme envisaged in production as a whol the policy would be borne by picking up

the entire textile industry.

The implications of this is the highest in the unspelt "financial burden" industry. Apart from have not yet filtered through "sick" mills taken over the sick mills taken over the sick mills taken over the sick of the sick over the sick over the sick over the sick of the sick over the sick ov Privately, representatives of the NTC, more than 30 are mills are worried about this sent closed. Efforts are since the fear is that some kind made to re-open them. of new levy will be imposed on by offering "soft loans the industry. Mr. Fernandes modernization of the bandloom plants, but the Government sector is to be encouraged and decided not to take over more of the sick. The N with the public sector National losses have been reduced it Textile Corporation (NTC) past year but its performs Textile Corporation (NTC) past year but its performance. Nor are, power looms to be. The Government has gained which runs 165 nationalised continues to be a major drag of allowed to initiate. This bin some experience of schemes to mills, the responsibility of clothe has public sector are whole in the be price statutory force promote handlooms. At present lag the poorer sections of the

ing the proces sections of the product of the spindles are now to the spindles are now to the spindles are shown that the spindles are spond of the spindles are spond of the spindles are shown to the spindle shown to the spindle shown to the spindle shown to the spindle shown to the spindles are shown to the spindles are spindles are shown to the spindles are spindles will be spindles are spi



The Adamyi textile mills.

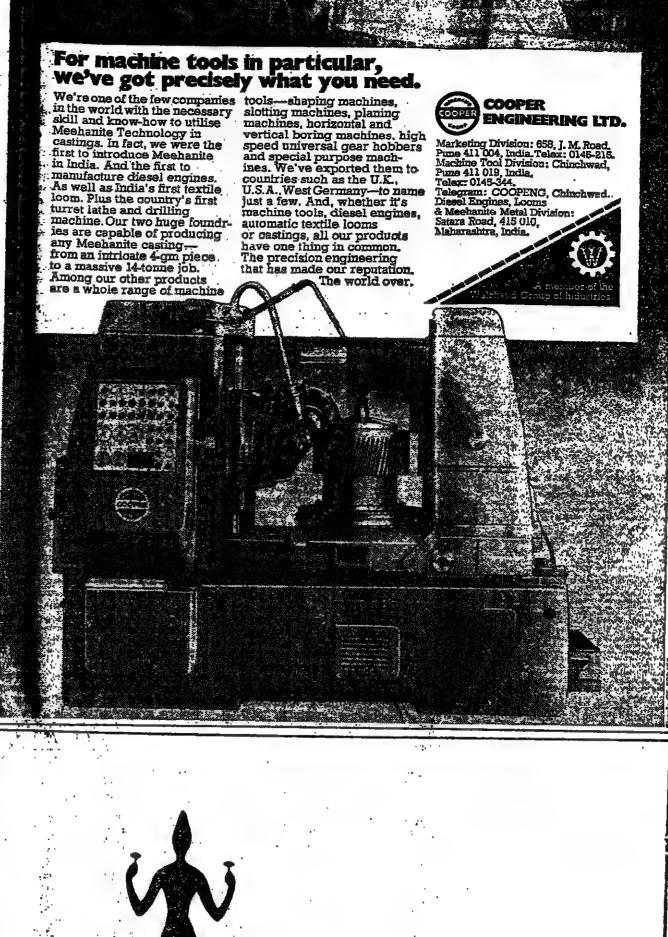
sector is in trouble. There are amount that the corporation bland cloth. Massive incentives unemployment in rural areas is the project flow of the positive miles. They have an in new policy. Since the private Spindle capacity is to be projects will have to be implessfulled capacity of nearly 25m mills were seeking to be rid of reserved to meet their yarn mented more speedily. Until production of yarn and cloth economical "controlled cloth." The carmarked for them, and the mainly in the "organised" be mainly in the "organised" will have faced high produce make competitive bids for the policy works, the mills have faced high produce make competitive bids for the policy works, the mills have faced high produce make competitive bids for the policy works, the mills have faced high produce make competitive bids for the policy works, the mills have complained in the past few months as they will be required to sell them; the more expensive that research the mills have complained in the research that research that research the miles have complained in the research that research that research that research the policy works the mills.

making the anneuncement— that demand has implement sufficiently relates in the "organised" ciently for millowness of start cost at which similar cloth is sector, i.e. the large miles—thinking about plans definition manufactured by the NTC miles. The Government has left them manufactured by the NTC miles the Government has left them are farmanded by the NTC miles. At any rate, in keeping with to fend for themselves, and the "financial burden" involved discrete the section of there will be no further increase the new textile policy they first there will be no further increase the new textile policy they hally in the weaving capacity of the might find it will boomerang "organised" sector. This means on them.

case that the capacity of the large. Much depends of course on the stille mills will be from at existing the success with which the that the capacity of the large Much depends of course on the milks will be frozen at existing the success with which the large the mitted only if modernisation the mack about this since implements but any for plant and equipment, but any sector will need extension of specialised administrative machinery and supervision on a hosaly-based over is still a constraint and the soft loan scheme is lightly getting off the ground slowly. The Government has gained some apprent of schemes to

The mills have complained in the past that price controls were the main reasons for their troubles since they were not compensated for their losses. The new textile policy seems to have done away with this by removing the obligation, but much will depend on what the new "burdens" imposed on the mills and the entire textile industry are. The industry as a whole is at present shaky because since 1975 its finances have suffered from the reces-

watching warfly.



Scope in finished leather goods

DEVELOPMENT OF the leather Curbs on exports of semindustry provides an important finished leather have caused
andustry provides an important finished leather have caused
interest to india downment's problems for the tamers, which is just showing
itself to india government's problems for the tamers, which is just showing
itself to lindia Government's problems for the tamers, which is just showing
itself to lindia government's problems for the tamers, which is just showing
itself to lindia government's problems are found it difficult to make
itself to lindia government's problems are export
invitation and inconvenience of
principle of mything to produce
itself as help in the procures
stort, which is just showing
the following to produce
invitation and inconvenience of
principle of mything to produce
itself as help in the procures
stort, which is just showing
the following
the story of the make
invitation and inconvenience of
the story of the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story of
the story

beluding BATA; but they become form plans include melit restion. of the 220m pairs of leather the establishment of a the thorage produced every year. machinery and materials bank.



THE LAKSHMI GROUP Our biggest achievement, a world-wide reputation.

A WIDE RANGE OF GRAPHITE PRODUCTS OF INTERNATIONAL QUALITY FOR ELECTRICAL & METALLURGICAL INDUSTRIES IMPERVIOUS GRAPHITE COMPONENTS FOR CHEMICAL INDUSTRY (GI) IN COLLABORATION WITH **GREAT LAKES CARBON** CORPORATION. USA GRAPHITE INDIA LTD

CHOWRINGHEE ROAD CALCUTTA 16 INDIA

Jute's tough struggle

from Bangladesh and U.S. and not good. Western synthetics, or disruptions caused to production by industrial action; or a critical

which made rival synthetic unthe oil crisis fairly quickly and found a way of making its products again cheaply, relative to the landed cost of Indian jute goods at any rate. Then came the U.S. economic recession with housing activity reaching an ell-time low, which drastically reduced the demand for Indian carpetbacking, the jute industry's most lucrative industry's most lucrative industry's most lucrative item. Since then the industry depends always on the has been done for instance item. Since then the industry depends always on the has been done for instance in the professional price at which it is able to get has been done for instance in the industry of the professional price at which it is able to get has been done for instance in the industry depends always on the professional price at which it is able to get has been done for instance in the industry depends always on the professional price at which it is able to get has been done for instance in the industry depends always on the professional price at which it is able to get has been done for instance in the industry depends always on the professional price at which it is able to get has been done for instance in the industry depends always on the professional price at which it is able to get has been done for instance in the industry depends always on the professional price in the professional price in the professional price in the professional pr stem. Since then the industry price at which it is able to get has been done, for instance, in clai institutions, the Industrial carpetbacking by the U.S., but tion of thoroughly professional has been through several ups the manufacture that has been done, for instance, in clai institutions, the Industrial carpetbacking by the U.S., but tion of thoroughly professional has been done, for instance, in clai institutions, the Industrial carpetbacking by the U.S., but tion of thoroughly professional has been done, for instance, in clai institutions, the Industrial carpetbacking by the U.S., but tion of thoroughly professional has been done, for instance, in clai institutions, the Industrial carpetbacking by the U.S., but tion of thoroughly professional has been done, for instance, in claimance, and downs, but an atmosphere of crisis has always been there. At the moment seven mills the Government has been follow- draw many lessons. remain closed due to serious ing a policy of price support. The much talked about Jute tions have been made and loans has depressed hessian prices. and five have been taken over this policy is an official organisaproblems of working capital, - the instrument of enforcing International organisation which have been sanctioned, but the The internal market for jute viously. It has just set up a by the Government. There is tion called the Jute Corporation look of "sickness" about the of India-but during the past industry as a whole. It needs year at least the Corporation stressing however, that it is due has not had much to do. to circumstances largely outside Due to a small crop of 6.8m the jute industry's control. For bales the ruling market price instance, barring a few re- has stayed way above the supsourceful units, the rest of the port minimum appounced by the industry has suffered from a Government-in fact such was crippling financial situation due the runaway tendency in raw to years of low return, so suffi- material prices that at one time cient resources have not been the Jute Commissioner felt available for modernisation or obliged to fix a ceiling of Rs diversification to increase effi- 181 per quintal. This was in ciency or to expand markets. addition to limiting mill stocks Secondly, being a highly to a bare four weeks consump-

one crisis or another. It was tivity is particularly important normal crop but this will still ducers could lead to survival. Uncertainties either a crisis of the market in jute. However, productivity mean a hand-to-mouth existence One vital part of the effort was

labour-intensive industry, man-tion. Yet this ceiling has not agements have to devote a stopped prices rising to as high considerable part of their as Rs 290 to 300 a quintal.

merly East Pakistan) with the struggle for India.

THE INDIAN jute industry has energy to tackle labour prob. There is a black market with the jute goods producing disbursal has been unaccount- goods has been expandinga special place in India's de lems. Wages form as high a very little jute available on the nations—India, Bangladesh and ably slow. The mills, it is said, much faster than could be realized and apply slow. a special place in india's decided in the special place in india's decided in india's decided in india's special place in india's decided in india's decided in india's special place in india's decided in india's decided in india's special place in india's decided in india's decided in india's special place in india's decided india's decid growing threat from synthetics hessian and the industry's two output was absorbed in the peculiarly crisis-prone. It is try as a whole, according to a the previous year.

growing threat from synthetics hessian and the industry was output was absolute. In 197 hard to think of a time in Reserve Bank study, wages

The 1978-79 crop (crop season against which it was felt that promising products, woolpacks internal market. In 197 here in the domestic supplication only a combined and concerted and cotton bagging.

The 1978-79 crop (crop season against which it was felt that promising products, woolpacks internal market. In 197 here in the domestic supplication of the provincing products, woolpacks internal market. In 197 here in the domestic supplication of the provincing products, woolpacks internal market. In 197 here is a provincing through which just shows how products against which it was felt that promising products, woolpacks internal market. In 197 here is a provincing product, and continuously shows a specific and continuously shows a specific and continuously shows a provincing products, woolpacks internal market. In 197 here is a promising product, and continuously shows a specific and continuo

due to sharper competition in the jute industry is often for the mills throughout this to be research and development year as the carry-over from the work in the production of high At the moment, jute workers previous season's stock is the quality fibre. Since it is not cerare seeking a new wage agree- lowest on record. This means tain when and whether this Jute U.S. market for 80 per cent of sacking—while all the highest that the corn prime will remain laterational will be formed in ment—the old agreement ex. that the crop prices will remain International will be formed, inthe old agreement ex. that the crop prices will remain International will be formed, inthe old agreement ex. that the crop prices will remain International will be formed, inthe old agreement ex. that the crop prices will remain International will be formed, inthe old agreement ex. raw naturals shortage; or dim
its carpetbacking output (which ving, hessian, woolpacks, cotto

culties about getting enough pired a few months ago—and much above the statutory sup
dividual producers are still left is roughly 30 per cent of the ing, hessian, woolpacks, cotto

cleretricity, and all these came bredictably, there is a domand port price of Rs 150 a quintal on their own. Basiadesh which is roughly 30 per cent of the hagging and other specialties a electricity; and all these came predictably, there is a demand port price of Rs 150 a quintal on their own. Bagladesh which, total output apart from being barging and other specialties generally as they still do ____ in a for substantially bloker wages or even above the ceiling price incidentally, has not been ware ecuricity; and all these came predictably, there is a demand or even above the ceiling price incidentally, has not been very a most lucrative product) and abroad. It is these export the still do — in a for substantially higher wages, or even above the ceiling price incidentally, has not been very a most lucrative product) and abroad. It is these export the still do — in a for substantially higher wages, or even above the ceiling price incidentally, has not been very a most lucrative product) and abroad. It is these export the still do — in a for substantially higher wages, or even above the ceiling price incidentally, has not been very a most lucrative product) and abroad. It is these export the still do — in a for substantially higher wages, or even above the ceiling price incidentally, has not been very a most lucrative product) and abroad. It is these export the still do — in a for substantially higher wages, or even above the ceiling price incidentally, has not been very a most lucrative product) and abroad. It is these export the still do — in a for substantially higher wages, or even above the ceiling price incidentally, has not been very a most lucrative product) and abroad. It is these export the still do — in a for substantially higher wages, or even above the ceiling price incidentally, has not been very a most lucrative product) and abroad in the substantial price incidentally higher wages, or even above the ceiling price incidentally, has not been very a most lucrative product) and abroad incidentally higher wages, or even above the ceiling price incidentally higher wages, or even above the ceiling price incidentally, has not been very a most lucrative product) and the substantial price incidentally higher wages, or even above the ceiling price incidentally higher wages, or even above the ceiling price incidentally higher wages, or even above the ceiling price incidentally higher wages, or even above the ceiling price incidentally higher wages, or even above the ceiling price incidentally higher wag nouse rent anowance and other are worried that due to increas- national," has ambitious plans European countries for a large mine the industry's viability, Even the splendid break for Industry's are worted that the industry's are worted that the splendid break for present financial capacity just ing competition from synthetics to expand its jute cultivation, chunk of its hessian output. Traditionally an export if present financial capacity just ing competition from synthetics to expand its jute cultivation, chunk of its hessian of the cannot afford to log action to quadruple oil prices, will not be able to meet. Consulting the control of the control response has been cautious, stitute 50 per cent of India's ing to improve its fibre quality cent of the total production). In its own viability. There is n competitive overnight, and the while an indefinite strike has jute goods exports) they will which is already very good, the U.S. market, challenge both need to lose the basic characters.

> Its raw material. To protect the the case of cotton, another cash Finance Corporation of India in the first half of the current management in every unit interests of millions of growers, crop from which India could from which loans will be given year, the USSR has been buying to mills. Indeed, many applica- on a much lower scale and this

emasculation of the Bangladesh white an indefinite surke has to contain their With more fibre produced, from synthetics and Bangladesh of the industry. The work jute industry in the wake of its been threatened. The confront not be able to contain their With more fibre produced, from synthetics and Bangladesh of the industry. The work civil war, lasted only about 18 tation may well lead to some costs or keep up their exports. Bangladesh will expand her jute has been strong, while the USSR demand for packaging material war, lasted only about 18 tation may be in the ladder to the whole growing the last of the acresse under goods causely too and the wall. months. The U.S. synthetics industry in the industry in the dustry shook off the effects of near future.

Most of the acreage under goods capacity, too, and that will also buys from Bangladesh, has been on the whole growing jute went to Bangladesh (for mean a harder competitive mostly accounted to the second state of the second s partition, but India made it up Quality fibre production must grounds. The prospect of the exercises done by inter by expanding her own acreage, be India's priority along with increasing exports of hessian to national bodies like the FAC and attained self-sufficiency in modernisation and renovation of West Europe and Japan has not and the World Bank point to a Thirdly, there is the all a remarkably short time. Not machinery. Realising that the materially reduced India's encouraging future for all pack important problem of getting much attention has been paid to industry as a whole has not the beavy dependence on the U.S. aging materials, of which just an adequate supply of raw just the gestling of the chargest and sturdiest. an adequate supply of raw jute the quality of fibre grown, and means to go in for modernies, and Russian markets. For is the cheapest and sundiested a reasonable price. Raw jute there has been little receipted the price of the property of

despite a fairly sharp drop of 1 the total demand at 661,00 topnes was still well in excess t The industry's chronic market 50 per cent out the output. By uncertainties arise from two the domestic market take factors: its dependence on the mostly low-value products lik

tions, but also on political particular types of goods. Al

The Indian Government recoginses that the need has become more urgent than precommittee through the late Manufacturers Council (a body consisting of the representatives of the industry and the Government) to prepare within two months or so "an integral plan for restoring the viability of the Indian jute mill industry." The main part of the committee's terms; of reference is on short and long-term projections of growth. in production of raw jute and jute goods, and of export and

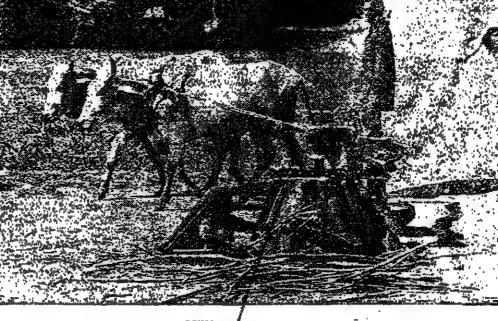
When the committee submits' its plan, it will be clearly seen on what lines the industry needsto be reorganized to increase its competitiveness. The Govern-ment has acquired something of a base in the industry by taking over five mills which include the largest and most modern mill in few more of the seven units which are now closed. Ferhaps the intention may be to start a restructuring experiment with these units for the rest of the industry to follow.



Carryove

0.83

0.83



Milling jugar cane.

Sugar mill lobby

Carryover

previous

1.21

0.83

1.57

THE OFFICIAL policy for the new sugar season beginning in October, has generated unusually keen interest. Everyone concerned with sugar-the cane and -is watching what the policymakers will do. Whether the controls are lifted in keeping with the Janata Govern- 1973-74 ment's policy, or the status quo 1974-73 is allowed to continue, the stakes are high, Ironically, the 1975-76 sugar mill industry is lobbying 1976-77 for the status quo with a deci- 1977-78 sion to create a buffer stock of lm tonnes to take the load of eccumulated sugar stocks off its back and save if from the special rate known as "levy" as to how to stimulate demand mills is because of a sigmp in

are pressure groups represent- sugar price. ing various sugar interests, the

to do nothing which would harm tant politically for many Mini- The dilemma of the Govern- cent in June. The loss for every their interests. With the fall sters at the Centre and in the ment is how to shoulder the percentage point decline in from the Government of Mr. States. As against the statutory burden of the busier stock sugar content of cane, say sugar supporter of farming interests, jab has fixed Rs 120. Sugar problem with exports. Under quintal, the balance has tilted and the factories in the co-operative the International Sugar Agree. The industry is watching sugar mill labby has acquired sector in Maharashtra have paid ment India is allotted an export which way the Government will an edge of the cane growers. Rs 160. an edge of the cane growers.

and releases are controlled so 6m tonnes.

price for supply through the for sugar within the parameters the world sugar price to as low godown charges.

On the other hand the trade wants decontrol, since a return masses. The philosophy of the consumption has risen steadily price, to the market mechanism will dual pricing envisages meeting but rather slowly, from 3.47m Despite the apparent girt the allow it a greater role in distribution envisages meeting but rather slowly, from 3.47m Despite the apparent girt the bution. The consumer wants the minimum from the "free market price is ing year, mainly because of insugar price to come down. He ket." The free market price is ing year, mainly because of interest to the free market price is ing year, mainly because of interest to the sugar produced was fleeced in times of shortage bound to be more than double year, mainly because of interest duty the sugar produced. was fleeced in times of snortage bound to be more man double year, mainly because of in-excise duty the sugar produced; and is now being forced to pay the levy price because of the creased releases and the in May-September 1978 in excessivity that without the sugar is abundant sugar and the need to recover market price.

Within the Government there subsidy built into the levy the increased releases stirred quintal of free sale sugar and sugar and sugar and sugar RSS of par content.

4.26

4.84

ernment was therefore expected good return on cane is impor- pricing policy this season. Charan Singh, an outspoken price of Rs 35 per quintal Pun- scheme. Already it is facing a industrialists, is Rs23 per

Sugar production reached a the elimination of cyclical far less than that of that qualified a number stock has to be established of over 6m tonnes in fluctuations in cane production thy for export through the State lished and it should be allowed and it should be allowed to the consequently of sugar. Out- Trading Corporation. The a free hand to grapple with the prices continue to rule at put has rise for three years in releases are so made as to cut new situation. The first step the high by Indian standards. There succession — from 4.26m tonnes the losses. are two reasons for the pre in 1975-76 to 4.84m in the fol- Of the 300,000 are two reasons for the pre- in 1510-70 to 252m in the 101- (if the 500,000 tonnes are it considers economic in view of record production. First, the record of over 6m. On the basis "levy" sugar, which is made of the limited influence of the

SUGAR STOCKS

(m tonnes)

Home con

sumption

3.47

3.67

2.76

Total

supply on October 1

4.79

5.47

5.67

the horner's nest and sugar Rs9.60 per quintal for leve industrialists are up in arms sugar, working out to an average strongest of them being the lobby against the Government for the of about Rs25 per quintal. Tomills and cane growers. It larger flow of "free" sale sugar, what extent this relief will'
remains to be seen who will Secondly, sugar prices in which pushed down the market encourage the sugar mills to general are kept high to enable to a level considered un crush more canc in the least The general impression until the industry to pay a good price economic by the industry. The season is a moot point, recently was that the farm for sugar cane and keep the mill industry claims a loss of lobby was strong and the Gov. farm lobby happy. Ensuring a Rs1bn as a result of the dual declines by 1 per cent in April.

quota of 650,000 tonnes of sugar move. It is prepared to opt for An offshoot of this policy is for 1977-78. It has released so decontrol but on its own terms.

Sugar production reached a the elimination of cyclical far less than half of that quan- A buffer stock has to be estab-

of record production. First the record of over our one oasis lesy sugar, which is following a of cane seedlings, sugar pro- available to the Government farm lobby after Mr. Charan policy of dual pricing for sugar duction in 1978-79 is placed at with a slender margin, and the Singh's exit from the Governtrolled so 6m tonnes.

remaining 125,000 tonnes are ment, a compromise on canemarket. The industry is at the cross- "free sale" sugar. The lack of prices cannot be ruled out. price high. It is lifting 65 roads of its development. The enthusiasm to export on the per cent of production at a Government is in a quandary part of the Government and

Total

3.96

4.41

4.64

0.44

0.94

0.97

0.37

Recovery of sugar from cape -1.5 per cent in May and 3 per

industry will probably take is to tonnes reduce the cane price to a level

You are welcome to utilise India's largest electronic manufacturing facility at BEL

Whatever you're looking for in professional electronics, BEL can engineer and manufacture: an assurance that's backed by experience and expertise of manufacturing a wide range of advanced equipment and components to BSS, DIN, JSS, MIL standards for the UK and 39 other countries of the world.

The largest single manufacturer of professional electronics equipment and components in India with multi-million dollars export earnings to its credit, BEL can produce and deliver sophisticated and professional electronic equipment to your specifications.

BEL offers advanced state-of-the-art sophistication in electronics, total integrated systems capability and international quality—all at very competitive prices.

Backed by the most modern development, engineering, production, inspection and environmental testing facilities, BEL offers a wide range of products—from MF to SHF frequency ranges.

Products designed, developed and manufactured by BEL include:

Radars for meteorological and defence use in L, S and X bands; secondary surveillance radars; HF, VHF, UHF and Microwave (both in LOS and troposcatter modes) communication equipment such as transreceivers, transmitters and receivers; transmitters and studio equipment for sound and television broadcasting; VHF omnirange equipment for aerial navigation etc.

Precision professional components include crystals, printed circuit boards, capacitors, TV picture tubes, receiving tubes, transistors and integrated circuits, hybrid microcircuits, transmitting tubes, cathode ray. tubes and X-ray tubes ... the list goes on.

BEL at your service: Whether it is for engineering and production of any complex electronic equipment/ systems to your designs/specifications, or for standard items under production, try BEL out.



World-class electronic products from India. **Bharat Electronics Limited**

29/4 Race Course Road Bangalore 560 001 INDIA.

India has a large and diversified engineering industry parts of which are clearly capable of holding their own in world markets. Some weaknessess in structure persist, stemming from past Government policies, but if greater competition in the domestic market brings about the necessary changes Indian companies will become more formidable in world markets.

Pace-setter in exports

N THE PAST few years the tors have been able to coexist parent company's technology years to 850; this is a fraction permes ingineering industries have quite amicably, with a degree and others have taken steps to of the volumes achieved by ing and Texmaco, is one secome the most dynamic of competition between them negotiate new licences. But as Komatsu in Japan or Caterpillar example. Larsen and Toubro dement in India's export trade. In some sectors such as power these companies seek to develop in the U.S. and Europe. from less than 2 per cent of equipment the competition is their export business there is Yet these disadvantages can has supplied equipment for he country's exports in the tending to increase, RHEL's a greater recognition of the be offset to some extent by low fertilizes projects and other rearly 1980s, they now account mein business is in imbine need for in-house research and labour costs. It is remarkable plants oversease. EMC won a or well over 10 per cent of the generators and in the bigger development. otal. In the past five years end of transformers and switchhe average rate of growth has gear, while the private com-een more than 20 per cent a panies have concentrated on the ear. Although there has been medium and smaller. But the ome slackening over the past need for additional capacity has ine months most people in the caused the Government to allow udustry believe that the rate of the private sector to expand rowth can be maintained at into BHEL's markets. Cromp. round 15-20 per cent a year, ton Greaves, for instance, India's share of world trade leading electrical company and an engineering goods is still which Hawker Siddeley has a lay, but Indian companies are 37.5 per cent stake has just ow beginning to make a secured a licence to make oticeable impact in markets.

uch as the Middle East, Africand South East Asia. There is Importance n impressive determination to unintain the export momentum. Vhile structural weaknesses rist in parts of the industry, to these of other des through exports and relatively sophistics ation should improve the tile and jute machinery rough partial import liberaliadustry's competitiveness machine tools, trucks ngineering companies in the heavy electrical plant cliesely repland countries are now engines and vehicle con-

eveloped countries are now ponents. Unlike say between aving to take indian manufac ponents. Unlike say between a more seriously as cometitors, as suppliers and as. The bulk of the engineering expand their share of sorid dustry is in the hands of the markets, will they be the rivate sector, although there hole their own against re some important public pantes in the d actor companies in particular countries, producing in

elds, such as Bharat Reavy volume and offering lectricals in power equipment, advanced technology? industan Machine Tools in Most Indian engi schine tools, Bharat Earth companies were starte overs in construction equip the help of foreign; collection and Heavy Engineering tion, either fibancial or technology in steelworks plant or both. In the present of the construction in steelworks plant or both. id other heavy machinery; an domestic market there was uportant role in securing turn-incentive to keep their desired operant role in securing turn-incentive to keep their desired op contracts overseas is played up to date; expenditurely public secure companies, product development and rincipally Equipment Propresents, with some exceptions: (India) (EPI) and has coulded to be low. The singletts and Engineering Cornumber of manufacturers will restrain (FECI). The public and private sec companies have acress

An unusual feature of india's ducts capital goods item), these are not m where India has an op in third country comparative advantage Indian manufacturers

machinery. Some valuable con- industry like tractors, where Dubai, in association with Protracts have been won in other there is strong competition jects and Equipment Corporadeveloping countries; last year's from Rs.85m., turnkey contract in groups. Those companies that tries has supplied a complete Tanzania, won by a consortium have been able to supplement sugar plant to Tanzania. of Indian manufacturers, was a their labour-cost advantage with potable example, But Indian efficient production methods are companies have not adopted the able to export successfully and modern system of open-end profitably, even though their spinning and it will be some scale of production may be small years before the industry is in by international standards. position to absorb the latest. There are Indian engineering technology. Potential customers, factories which have achieved even in the developing world, levels of productivity com-

machinery. Indian manufacturers that progress in exports could be held back unless they bring their designs and their production or the financial resources to undertake large R and D programmes of their own, attempts are being made to work out a co-operative

partly as a result of Govern- do not need it ment industrial policy. The

cast mines; side and large wagon tipplers; and large sapacity Steel Plant Equipments (well as

modemisation and improvement in the existing state of steel plant

All this is in a dition to the vast archive of Languages for steel

plant equipment anes and crushers etc. alres y established

by the HEC Equipment Design

Plans open for HEC

Cement Plants

Pelletisation Plants

Sponge Iron Plants

Consultancy Services

From Feasibling Reports to equipment supply and final commissioning. The Consultancy Services are available at present in the following fleds:

Low Temperature Carbonisation

Architectural & Town Planning

*Lord Viswakarma, the

presiding deity in all workshops, factories and

building sites.

Divine Architect is the

equipment.

office.

Plants

Jobs

how competitive some Indian contract to instal a 132 kV over-A case in point is textile companies can be even in an head large multi-national tion.

may be reluctant to commit parable to the best in Europe. themselves to obsolete One example is the TELCO machinery. There is anxiety among the originally built in collaboration with West Germany's Daimler-Benz. Another is the vehicle component plant of MICO, a ACQUISATION OF what is countries started thinking along take a financial stake in ven-mainly during the early 1960s Bosch subsidiary based at somewhat: vaguely called the same lines and research and tures they are associated with many of the approved ventures Bangalore which employs over "appropriate technology" has development accompanied pur- For the sake of uniformity, the fell by the wayside; by now, a contract that both the lines are the same lines and research and tures they are associated with many of the approved ventures.

approach to a ready market. The last 5 per The problem of fragments disproportionately to the pur the same kind is what they need. African countries and there investment tion occurs in several sectors, chase price and many customers

market is too small to permit and disamplating was supported. Own use a not considered to be financial investments abroad as many as 322 had been important, they led to substantial nationally competitive scale. In ally, to the Middle East, South Indian chaditions; to take the country's improved foreign expected by the Government tial exports from India both in country's improved foreign exports. East Asia and Africa, have argumentions step further, it is change position makes direct investment abroad possible with out strain. But mostly it is of implementation, The process squity and direct exports that countries are wary of implementation. The process and, totalling well over Rasoom.

Among the public sector com-

substantial business in Libya, a able from a variety of public the foreign share of the equity sectors which offer the greatest country, with which India has sector institutions.

Close commercial relations. EPI In contracting and in exports the leading pipework engineer.

Kuwait which has brought in to exploit India's strengths management is planning to ex considerable orders for other Some foreign companies with operate with overseas partners. Indian engineering companies subsidiaries in India, such as including BSC, in pipework In opening up new markets Siemens and Krupps, are will- projects; its prices will be indian companies have had two ing to use India as the source especially competitive in the Indian companies have had two special problems—credibility and finance. They have had to convince the buyer—and more the consulting the consu consulting panies with a minority foreign but also with GEC of the UK engineers who advise himthat Indian standards of work- their foreign associate to use U.S. manship and quality are accept-

able and that they are not simply competing on the basis eap labour. If that hurdle can be overcome-by showing can be overcome—by showing and tractors, uses its associations plants in operation in India with American Motors and and elsewhere—the entry of a International Harvester in this ket BHEL, for instance, expects comed, especially by those who way.

Western contractors. The Indians have been able has supplied equipment for to demonstrate that it is not only the South Koreans who complex engineering projects pumps, chasply and reliably machine cheaply and reliably.

Walchandnagar Indus-Indians regard as uncommercial

participation can often persuade and General Electric of the the Indian plant as part of a worldwide sourcing system; for example Mahindra and

Mahindra which makes jeeps feel they have been over-

certain items for British and health of the business." other foreign companies, for director of BHEL told me. sale under the latter's brand name. For example, companies are capable of carrying out in the Kirloskar group make tools for British manufacturers; other arrange-The financial problem is more ments are under negotiation are encouraged to expend to difficult. Several bids have been Several companies are seeking lost as a result of what the collaboration with foreign firms on the basis of a division of offers of cheap credit. There work, with those parts of the is pressure on the Government contract most suitable for India create an Export Import to be handled in India. For the sengineering exports, like panies BELEL has won power Bank which would concentrate example, Stewarts and Lloyds the industry itself, is probably station contracts in the Middle in one body the various forms of India (now controlled by too diversified and there will East and there are prospects of of financial support now avail- British Steel Corporation, but be a need to concentrate on the

The impetus to export has come in part from the recession in domestic demand for capital companies are determined to stay in the international marits exports next year will exceed Some companies have made 20 per cent of its turnover, charged over the years by arrangements to manufacture "Exports are essential to the

> Clearly Indian companies are welding sets and exports if there is a large, growing and profitable home market for their products and if they a home market/export ratio of roughly 70:30 is generally regarded

> > G.O.:

Joint ventures abroad

the subject of technical know collaboration If an efficient Indian company how in India. Having accepted What emerged from this is an minority share, a stipulation for variety Third World nations that country. This is being increas: this is not always easy. cent of sophistication can add "appropriate technology" of ingly transferred to Asian and

that the computerised techno-Latin America also - through Where cost can be especially logy hawked by Western counthe form of joint ventures investment will grow, especially In the 217 joint ventures licensing rules have led to an important is in bidding for tries is not suitable for the abroad. lebour, both unskilled and technology developed by the ment regulation now permits

the devolving such some before most other Third World panies which are unwilling to

What this means, in effect, is are possibilities of taking it to

But it is expected that such has been satisfactory.

In some fields the Indian skilled, needed for installing advanced countries for their Indian entrepreneurs to make origin but by the end of 1977 amounted to Rs158m. More market is too small to permit and maintaining the equipment, own use is not considered to be financial investments abroad as many as 222 had been important they led to substant

technology up to date. Since 9,000 and exports nearly 40 per been the basis of the debate on chase of foreign technology and Government insists that Indian 105 joint ventures approved few have the scale of operations 9,000 and exports nearly 40 per been the basis of the debate on chase of foreign technology and investment shroad should be a bave been abandoned for a arrangements investment abroad should be a have been abandoned for a can get within 5 per cent of a this concept for the country, the abundance of "intermediate foreign investment in the coun-include lack of experience and European or American rival's Government has found little technology" in a number of try. Indian entrepreneurs have inadequate spadework by technology, it is likely to find difficulty in persuading other areas which is suitable for the thus to find local partners and Indian entrepreneurs which often meant that, for instance, no market survey was organised for the particular product to be made. But the overall progress

since economic co-operation either commissioned or being excessive number of small-scale oversess projects. Success developing nations, which need producers, while the fear of depends not only on the price to create employment opport limited to export of capital specifically provide for institutional arrangements of the labour. The highly sophisticated prize expertise; a new Government of the price of the labour. The highly sophisticated prize expertise; a new Government of the price of the labour. The highly sophisticated prize expertise; a new Government of the price of the labour. The highly sophisticated prize expertise; a new Government of the price of the labour. The highly sophisticated prize expertise; a new Government of the price of the labour. The highly sophisticated prize expertise; a new Government of the price of the labour. The highly sophisticated prize expertise; a new Government of the price of the labour. The highly sophisticated prize expertise; a new Government of the price of the labour. The highly sophisticated prize expertise; a new Government of the price of the labour. The highly sophisticated prize expertise; a new Government of the price of the labour. The highly sophisticated prize expertise; and provide the price of the labour. The highly sophisticated prize expertise expertise expertise expertise expertise expertise expertise expertise expertise.

CONTINUED ON NEXT PAGE



Today HEC, a gigantic **%. 2150 million project, is not** mly supplying a whole array of capital equipment to core ndustries in India, promoting elf-reliance in a big way, out also contending in the vorid market.

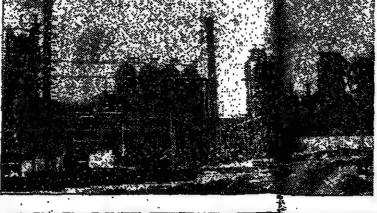
Surrent export orders worth Rs 320 million

Yugoslavia has ordered 268 lectrolyser pots for its aluminium Nant in Titograd. Most of these ots have already been shipped. Julgaria and Egypt have already seen supplied with HEC coke :: wen equipment.

Orders under execution nclude coke oven equipment for furkey and Egypt: EOT and .. nagnet grab cranes for Bulgaria ind Hungary; joint bridge reoader cranes for Cuba; steel nelting shop equipment for Sri canke; a continuous casting nachine for Turkey; and 4 roll crushers for Bulgaria, Turkey and Yugoslavia.

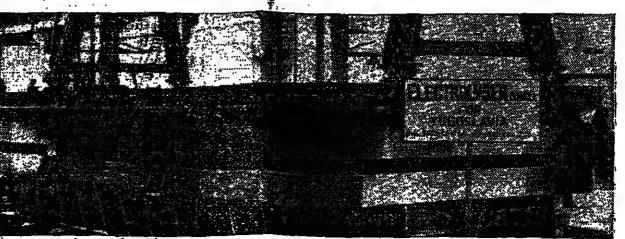
Advanced Design institute for Metallurgy & Mining

 With co-operation from countries like USSR, USA and Wast Germany, HEC has initiated Confidently yours,
The Heavy Engineering
Corporation of India









A new thrust, a new direction, a new confidence.

Book your orders for HEC equipment

Castings: Steel-upto 75 MT iron-upto 50 MT Non-Ferrous—upto 750 KG Forgings: Shafts 300 to 900 mm dia upto 16 M Length (Maximum wt. 32 MT) Solid Slab upto 25 MT Solid Disc 20 MT pc. wt. Ring 15 MT pc. wt. Die Forging 150 Kg pc. wt. Complete range of steel

plant equipment, EOT & Metallurgical Cranes, Crushing & Grinding Equipment, Excavators.

Mining equipment like Mine Winders, Vertical Transport Systems, Skip Hoist etc., Handling Equipment like Stackers, Reclaimers, Wagon Loaders etc., Water Well Drilling Rigs.

Heavy Duty Machine Tools like Centre Lathes, Planing Machines, Vertical Boring & Turning Mills & Special purpose Rajiway Machine Tools.

For more information write to : Dy. General Manager (Commercial)/HQ

HEAVY **ENGINEERING** CORPORATION LIMITED

(A Government of India Enterprise) Ranchi 834 004. India



(In other words, what you like best about British Leyland vehicles is what you'll like best about Ashok Leyland vehicles.)

Rugged Reliable And economical in the long

That's British Leyland's world-wide reputation A reputation shared

in India by Ashok Leyland. Who build every bus, truck and specialist heavy-duty vehicle to the same standards of quality as set out by British Leyland:

No wonder, Ashok Leyland is gaining a growing reputation in countries which are already familiar with the quality of British Leyland commercial vehicles.

Yes, it helps to be part of the same family. (Because then the differences are only skin

Ashok Leyland Limited, Ennore, Madras, INDIA.



Thank goodness, our family differences are generally superficial.





Low priority for shipbuilding

NDER THE draft 1978-83 plan India hopes to increase the tonnage of its national flag fleet from 5.35m grt to 7.77m

the tonnage acquired by India over the next three to five years builders will find it difficult to missioned and global tenders is obtained from Indian yards capacity is supposed to increase improve substantially on the invited for the yards, which -most of the extra tonnage from two to four 75,000 dwt ves- meagre share they build of the would be expected to build must be obtained from the sale sels a year. and purchase market and from Hindustan Shipyards, which prospects are that a growing range, foreign shipyards, operates Vishakhapatnam, has percentage of the country's No.

trading nation India has given standard components.

speedier delivery. Certainly lead Navy.

standardisation is thus also yard, can also build a range of They receive three per cent of admitted rather enviously that sought, and the Ministry of ships up to 26,000 dwt. Its the vessel price under a subsidy South Korea benefits from the ship types for the two yards years thanks to a 10-year expaning the next few years. A falling within its purview, at sing and modernisation are released to produced components. Tespect, unough it is also admitted rather enviously that sought, and the Ministry of ships up to 26,000 dwt. Its the vessel price under a subsidy having more modern yards and ship types for the two yards years thanks to a 10-year expaning the next few years. A

first ship, a 75,000 dwt Panamax- warship of a new type for the shipyards, at Paradip in the building policy need not be type bulk carrier for the Ship- Indian Navy has begun earlier State of Orista and Hazira in either economic or rational.

reliance. The expansion itself Order book at end-year about 42 per cent-of India's National fleet ...

To this end the Government built and delivered about 75 requirements in future could be has taken advantage of the country's healthy foreign exchange reserves to make Rs 5bn mostly a Pioneer-class 21,600 Government measures to protect change reserves to make its John down vessel built to a West and subsidise the industry. Planning Commission is thought elsewhere of 486,000 grt. But German design. Here too expanUnder the so-called "part to prefer one. Certainly the deby last month only Rs 2bn had sion in capacity is planned, from passu" clause, for example, the mand for ships in India over been taken up. Orders placed 21 ships a year to four, and the Government aims to protect the coming years is only one for at Indian yards are put at some British consultants Livesey and and subsidise the industry for being taken into account in 125,000 grt, while the pian Henderson have outlined same tonnage they acquire

envisages an increase in output schemes for even greater expan- abroad, a regulation it is in from these yards from 66,400 sion. The yard is reported to theory able to enforce because other country.

grt in 1977-78 to 238,000 grt in have completed designs for a it provides the permit for pur.

1982-83. The general picture new series of vessels of various chases abroad. In practice the thus appears less than types from 14,000 dwt to 27,000 rule is said to be difficult to duced earlier thus year by a satisfactory.

times are high at three years. Formerly a shiprepair yard two years. often because of problems in until recently building small. For purchases from a local tingent upon orders being won obtaining marine equipment, naval vessels, tugs, barges, yard, however, the terms are and greater standardisation. thich in many instances has to dredgers and so on, Garden easier, being up to 95 per cent achieved. The report says shipcome from abroad because the Reach is now producing com- with a repayment period of 17 building should be regarded as ocal equipment industry (as in pletely indigenously designed years but carrying the same an export-oriented industry to many Third World countries) 26,000 dwt bulk carriers with interest and moratorium period, enable it to save in taxes, and remains underdeveloped. In one Indian marine equipment la- Loans from the Rabbn foreign suggests that concessions be case, said to be typical, a ship cluding a marine diesel engine exchange fund earmarked for given on excise duty for the raw was ready to be launched but re- produced at Garden Reach. The acquisition of ships abroad were materials used quired an imported anchor import component of these repayable over 12 years, chain. For six weeks an asset vessels is put at 20 per cent including, a two-year mora worth Rs 150m went unused. Garden Reach's Rs 11bn engine torium, at 71 per cent interest, the unfairness of the tax system Shipbuilding remains a high-plant, only recently completed. Beyond this the yards them and would welcome such a cost industry in India, in spits will be able to supply engines selves receive Government change. They also agree on the of the cheap skilled labour that to the whole industry, so the assistance. Yards are comneed for greater standardisation, is available, simply because it country's reliance on imports is pensated to the time of ten per pointing to the achievements of produces a limited number of expected to fall.

isling within its purview, at sion and modernisation pro- rebate is available under which. It is difficult to know whether Vishakhapatnam and Cochin. gramme, making it now India's a proportion of profits is not the Government will finally com-The Cochin yard. India's leading shipbuilding and ship- taxed if it is ploughed back mit itself to building two new largest building dock, was de-repairing yard. The yard has into development.

Signed with the help of Japan's completed a programme of six into development.

Mitsubishi Heavy Industries and Leander-class frigates, though it formally went into production in has faced fitting-out setbacks obvious difficulties at home. Finance Ministry stull has to complete construction of its delivery. Production of the first the construction of two more one Indian official says, ship-stepling at 25,000 dust Papagaran, warship of a new type for the shipments of papagaran.

Sources: Lloyd's Annual Summary of merchant ships completed; Lloyd's Statistical Tables

dwt which use a minimum of apply because of local capacity For all its growing role as a imported equipment and constraints and must remain

surprisingly little priority to its. Apart from avoiding too great however, as a useful lever for economic need " rather than a own shippards, in spite of the a diversification, such standardisome government arm-twisting purely commercial proposition. lobs that such an "assembly sation helps shipbuilding orders The real subsidy to India's Apart from increasing the line activity generates both become more centralised. But shipbuilding industry comes directly and through ancillary order books are lean and from the institution which industries. India has neverthe- capacity utilisation at Vishak- actually finances shipping purless grown to become the world's hapatnam and Cochin is still chases, the Shipping Develop, ciliary industries, ensure fuller twentieth largest shipbuilding as low as 60 per cent. India's ment Fund Committee, whose utilisation in steel plan's and country, though it is still well two other main shoughest — work has probably been respon. encourage an Indian market for down in the league compared Mazagaon Docks in Bombay and sible for the growth of Indian shipping spares, with other Third World ship. Gorden Reach Shipbuilden in third world ship. Gorden Reach Shipbuilden in third world ship Gorden Reach Shipbuilden in third with the content of the growth of Indian shipping spares. with other Third World ship Garden Reach Shipbuilders in shipping since independence.

builders like Brazil and South Calcutta, which come under the The fund provides loans for up COSTS Ministry of Defence Production to 90 per cent of the cost of a Those shipbuilders themselves —appear to face similar prob-vessel to be purchased abroad, range of vessels and offer ready market in the Indian cent to be repaid over 15 years brought down to make pur

ships in far from modern ship- Mazagaon Bocks, like Garden using certain more expensive A greater degree of Reach formerly a British-owned home - produced components.

country's national fleet, the ships

YARDS AND FLEET

ping Corporation of India built than planned. Gujarat. Detailed project to a design by Scott Lithgow. Thus although India's ship-reports have already been com-

taken on whether there will be the matter, which is as political-

largely notional. It is regarded, additional shipyards is a " socioand generate employment in an

would like to produce a greater lems, even though they have a with an interest rate of 4½ per on whether overall costs can be with a moratorium for the first chases from Indian yards more For purchases from a local tingent upon orders being won

cent of international prices for pointing to the achievements of

entures continued from previous page

and Zambia—have led to the The scope for expansion is Asia-earning of fees of over Rsilm wast. So far more than 60 per until last year and these are cent of the machinery exported Favoured certain to increase. The rate of to launch the joint ventures is return from the viable joint ven- for such well-established areas tures has been calculated at in India as textile, sugar,

tures has been calculated at in India as textile, sugar, around 9 per cent of the capital employed; this compares favourably with foreign minority shareholding companies operating in India.

Earnings and income are possibly the least of the benefits and related engineering prospecially as Indian entrepreneurs are being encouraged to plough back profits to expand successful joint ventures bright for Indian entrepreneurs.

Malaysia is easily the most India and Western countries starting ventures jointly in third countries. This provision the starting ventures jointly in third countries. This provision the starting ventures jointly in third countries. This provision to the Government (although is also finding its way into economic co-operation agreements abandoned). For the past decade, opportunities have decade, opportunities have been seized in Indonesia, the public sector units, the latter in Philippines, Thailand, Sri countries where the Government (although is also finding its way into economic co-operation agreements decade, opportunities have been seized in Indonesia, the public sector units, the latter in the lanks and Singapore and in ment has dominant role in the economy.

Rules for foreign investment abroad are being scrutinised. to plough back profits to expand nave revealed that prospects are has been made to start projects successful joint ventures bright for Indian entrepreneurs in the Middle East, although (making sure that they remain in areas like leather, PVC, the successful achievements minority partners). More vegetable oil, pharmaceuticals, here have been mainly projects important, joint ventures have diesel engines, light engineering set up either on a turnkey basis surge in Indian investment in capital goods machinery, spares, sewing machines, automobile consortia working for local construction materials and techconstruction materials and tech- ancillaries, rubber goods, steel parties. nology and have improved pros- products, electrical equipment. That Indians, and their developed and is being used in pects of further exports of these bicycles and other consumer Government, have learnt from India. items. They have widened the durables that most developing experience is apparent from

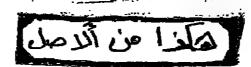
bost country's knowledge of countries currently import from the fact that recently promoted

However, considering the number of ventures involved the gain so far has been mainly in gaining a toehold is the countries concerned and establishing a base there.

Now that direct financial investment in manufacturing abroad is bound to increase since the larger industrial houses are being encouraged to invest surplus function in a manure detrimentage to invest surplus function in a summer detrimentage to invest surplus function in a manure detrimentage to invest surplus function

not insist on purchase of capital equipment from this country alone, and orders will increasingly be made on a global basis, A beginning is being made with Malaysia is easily the most India and Western countries

logy" of the kind that has been



LIMITED

Cars at the crossroads

Notice of the case of all with Government resources Layland, as it then was, before number of scooter manufact happened to the suggestion of motor-cycles by and that India is large population.

With Government resources Layland, as it then was, before number of scooter manufact happened to the suggestion might its recent reorganisation helped threes but only four have interpreted the suggestion might stall progress. The company is grated facilities—the rest are india's four main manufacturers happened to the suggestion of motor-cycles by not get past the Planning Company is grated facilities—the rest are india's four main manufacturers happened to the suggestion of motor-cycles by not get past the Planning Company is grated facilities—the rest are india's four main manufacturers happened to the suggestion of motor-cycles by not get past the Planning Company is grated facilities—the rest are india's four main manufacturers. The company is grated facilities—the rest are india's four main manufacturers happened to the suggestion of motor-cycles by not get past the Planning Company is grated facilities—the rest are india's four main manufacturers happened to the suggestion of motor-cycles by not get past the Planning Company is grated facilities—the rest are india's four main manufacturers.

so suggest that the Janata than in vehicles a year, annual pyernment's "small is output at Hindustan, Mojors autiful" economic strategy only exceeded 25,000 units

coming more involved in its mark; capacity is 36,000. Premier is producing at its limit of 18,000 units.

The day's burning issue in India's Shortage

Trindustry. r industry.

rely owns a 30-40 per cent. The novel development is that are through its banks and to agree, and to be considering point where they cannot so three options for medicining are through its banks and

ich spotwelding—and cannot move would also satisfy made sufficiently rust-proof demending some firm action as engines are out of date, un-iron the Government

O STAND in a Bombay traffic production. The Ambassader is of Mr. Sanjay Gandhi is enough said to have reached an less priority than two and three- successful company must base passenger vehicles: m., to spend over an hour priced at Rg 39,000 (about to cast grave doubts on the advanced stage to purchase wheelers, scooters and motor- its long-term pleas on a home Rindustan Motory riving a dozen miles to a £2,500) at the factory gate, put-whole idea, actory in Calcutta or to career ting it beyond the reach of all

hether or not it wants the ever. Both vehicles are in heavy Ministry in any case. In addi-

is already arrived when it in the early 1970s, and actually mes to cars. slumped to a dismal 9,400 after the oil crisis—the company's But the industry has reached the oil crisis—the company's heavy engineering activities had neavy engineering activities had not is having difficulty in not to see it through. Only now has coming more involved in its mark: capacity is 34,000.

point where they cannot go three options for industry and bringing in the have in the past a new model. The first is to The problems can be put nationalise the whole industry, rite simply. The bodies are an option which has been oduced using old dies—lead political pressure behind it. In a to too many rejects and too prevailing circumstances, the second political pressure behind it.

past deciding Output is still too low, how mission and the Finance

organisation" be created in the the sole importer of the necessary for production and improvement is how doing what the car compast. has tended to give cars ing list. He is emphatic that a tion rather than an item of connecessary. The share of road panies themselves allegedly could not do even if they pooled their revenues. The idea is reported to have been advanced in light of a Government decision not to allow individual

to license. Moreover, only with attention is given to improving regime might the resources be generated for expansion and

demand, even though makers, tion the consequences such a featers and customers are plant would have for the exist, with BL, General Motors and is the second largest producer last year. As with scooters, the heartily sick of the same old ing factories in Calcutta and models. Demand shot up last ay confirm a low level of car year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price of catastrophic, and mean a loss year following a Rs 5,000 price

Morris Marina dies from British cycles. The country has a large market rather than export

ever. Both vehicles are in heavy Ministry in any case. In addidemand, even though makers, tion the consequences such a Discussions have taken place market in Bajaj Motors. India in 1976 before tailing off a little

This leaves the third (and BL but progress towards imple operated independently of his use of imported technology. Action on road development and transport of passengers has most recently canvassed) mentation appears to have former itselfan collaborators Beyond this, the industry wants is also sought. Although the increased in past years, and possibility for modernising the slowed.

Plaggin since 1971. His company a new outlook from the governdraft plan emphasises rural seems likely to improve further mouth and the importance of if production is to become Piaggio since 1971. His company a new outlook from the govern-draft plan emphasises rural seems likely to improve further Although Government plans alone of the four main scooter ment on the function of the growth and the importance of if production is to become public sector which would be for the car sector are much the manufacturers in India faces a passenger car in national de rural roads, the

Installed capacity Production in 1977 1977 1976 1975 Commercial vehicles: Ashuk Leyland Rindustan Motors... 9,444 15,009 Premier Autombils. 100,000 \$0,988 Bajaj (Vespa) +24,325 14,975 100;000 16,489 28,054 *16.278 API (Lambretta) ... 39,000 21,610

* Additional packs. † Additional export packs.

VEHICLE OUTPUT

EIL (Enfield) EL (Rajdoot)

More commercial vehicles

manufacturers to import techniques, but only two of any gone begging dealers are thing.

As a result, customers have nology on their own because the success, but only two of any gone begging dealers are thing.

In consequence: Hindustan to have done is well as every notes, based in Calcutta and out of the shortage yet notes, based in Calcutta and out of the shortage yet notes, based in Calcutta and out of the shortage yet notes, based in Calcutta and out of the shortage yet notes, based in Calcutta and out of the shortage yet notes, based in Calcutta and out of the shortage yet notes, based in Calcutta and out of the shortage yet notes, based in Calcutta and out of the shortage yet notes, and the manufacturers say they want taxes and the move passengers and goods quickly who, and additional duties reduced and the price of petrol cut. But it is unclear whether they could then safisty increased its share in the carriage of goods, particularly for short-haul business, and has slowly improved its share of all passenger traffic to just under half. This overall duction, to the point where the plant capacity yours a 30-40 per cent. manufacturers to import users, nology on their own because the duplication would be too costly.

In the manufacturers to import users, nology on their own because the duplication would be too costly.

For their part, the manufacturers and goods quickly who, and additional Leyland, based in Madras, in tions, it has not been seriously sector. Bajaj Tempo and turers say they want taxes and has begun to moderate in recent demand from a growing export which BL has a 58 per cent hit by strikes or labour unrest. Mahindra & Mahindra are in the years. Road transport has sub-market and from the defence shareholding. This company Asok exports about 10 per field too, and both expect to restrictly increased its share in sector has encouraged expansions of the production and it increase their capacity significant. the Government was prepared shift should continue if more

> underlying emphasis in government road transport policy of In the view of Mr. P. N. giving greater priority to com-Vencaatesan, Premier's manage mercial vehicles than to scooters Poons in Maharashtra on top of ing director, the best thing for or cars. Planned production of its original 27,000-unit plant at e Premier would be to expand commercial vehicles began in Jamehedpur in Bihar, and is production in stages, changing 1953, and now two companies thus in a position to take advantage of the most successful of never been the look of the car and, in time, dominate the truck and bus tage of any upturn in the mark.
>
> BL's overseas investments and potential.

company makes its own machine The trend has buttressed the profits and conducts its own research and development.

9.006-12.000-unit plant at

like TELCO, has ambitions receives some marketing assis- antly over the next few years.

with TELCO.

one of the most successful of never been anywhere near its strategy. the look of the car and, in time, dominate the truck and bus tage of any upturn in the market that Engineering ket. As the company sees it this plant marks a new ara for incremental at the market the Tata Engineering ket. As the company sees it this plant marks a new ara for incremental modustan Motors barely reach 10,000-unit public sactor plant simply too great.

The seembly line at second option, building a pure cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great.

The seembly line at second option, building a new cane, Quite against simply too great levels new can development. The height recently there has been constructive and projections are being treated toon pany to separate on a further or payment for foreig

Ashok has been consistently growth and development has government's

plans for expansion. Its tance from BL.

licensed capacity stands at In the industry's judgment to remain the economy's 10,000 vehicles a year, mainly supply and demand of commercanacity to absorb a higher company makes its own machine the 12-ton Comet truck, and cial vehicles more or less evenly to absorb a higher this will be expanded to 15,000 balanced in 1977, but because we will be absorbed to 15,000 balanced in 1977, but because the right prices and profits and extending the road network, omies of scale, ploughs back units by 1981. Ashok is seek demand was less than expected try's capacity to profits and extending the road network. ing approval for a further —owing to increased costs try's capacity to produce them. expansion to 30,000 vehicles a which eroded road transport's Though this is largely depends The company has just opened year and this will involve a advantage and the slower-than on economic growth, the induswidening of the product range, anticipated growth of the try also believes that a better probably bringing the company economy production was below dispersal of economic activity into more direct competition target. Indeed, in the view of would help and so draws TELCO, the industry's whole encouragement from the Jansta

Beyond this the budding

TVS: Right from the first ride, the first position... in auto-ancillary industry in India



What started as a mere bus service 67 years ago, developed into India's pioneering organisation in auto-ancillary industry.

if the clock back To 1911. o Madurai, a place 300 miles om Madras - A strange lookg monster snorts and starts. lew adventurous souls imb on board.

hat's the first ever bus arvice in South India. hd by opening that service. bung TV Sundram Iyengar oes more than take his assengers for a ride.

e opens the first chapter of te Indian Automotive

actistered as TVS in 1912, to bus service company ontinues to fluorish—to Scome an auto spares dealer

Come 1929, the organisation is big enough not only to become a limited liability company but also is appointed a direct dealer for General Motors in India.

The Second World War, a victory for TVS Petrol becomes scarce...

TVS introduces gas plants so that charcoal gas can be utilised instead. Spares and accessories too become scarce...TVS opens service stations—to meet the shortage of reconditioning

and rebuilding of motor The network of spare parts and service outlets lays the foundation of the future growth of TVS

Right on top gear

TVS expands and develops into a dynamic group of companies to offer a fully comprehensive service to the automobile and road transport industry in India:

And a move to Britain By now, the quality and services of TVS organisation

have become so well established in the Indian subcontinent that the name and fame have started spreading overseas... World-reputed manufacturers in the field begin to show interest - and in the early sixties, TVS starts joint ventures for its various manufacturing units at Madraswith leading British organisations.

Wheels India. Incorporated in 1960. In technical collaboration with Dunlop Limited, UK. From this unit, roll out wheels for India's commercial vehicles, passenger cars, jeeps, tractors, rollers for tanks and even wheels for India's bullock cares

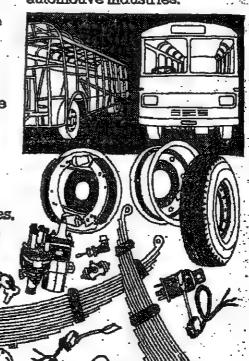
Lucas TVS Limited. Incorporated in 1961; As a joint venture of TVS and Lucas Industries Limited, UK: This unit specialises in the manufacture of the complete range of automobile electrical equipment.

Sundaram Clayton Idmited.
Formed in 1961. A joint venture with Clayton Dewandre
Company Limited, UK. This
unit manufactures the entire
range of equipment for air
assisted braking systems for commercials ehicles, tractors, trailors and off-highway vehicles.

Brakes India Limited, Formed in 1962. As a joint venture with Girling Limited, UK. This unit manufactures a complete range of foundation and hydraulic brake and clutch actuation equipment for cars, commercial vehicles, tractors, earthmovers, tanks and off-highway vehicles.

Sundram Fasteners Limited. Formed in 1963, And this is one unit that has pioneered the

design and development of several critical application hightensile cold forged bolts and nuts, both for the automotive and nonautomotive industries.



What TVS is today:

Armed with a staff strength of over 17,000, TVS Group's interests today include the largest privately owned goods transport system in India, a wide distribution network for commercial vehicles, cars and automotive spare parts, a. chain of automobile service stations—acclaimed the largest in South East Asia, tyre retreading facilities and body building services for trucks and buses. It also manufactures organic automotive, nonautomotive and industrial friction material in collaboration with Abex Corporation of the USA. The Group's other interests include the manufacture of sewing machine needles in collaboration with M/s. Singer, USA plus general finance and textiles.

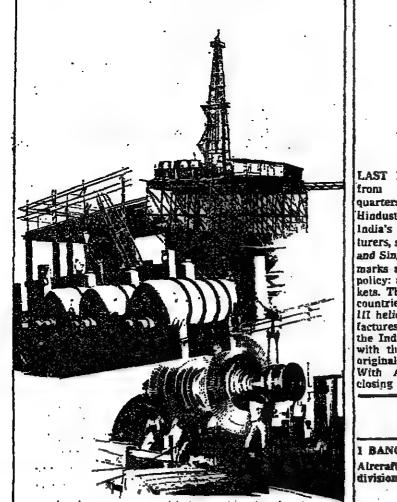
TVS products in the world market

The proven quality of the products and engineering of the TVS Group of Companies is so acclaimed today that the products are accepted in the international market, including Britain, naturally! And that's really covering a lot of ground since the first ride in 1911, don't you?

Wheels India Limited **Lucas TVS Limited** Sundaram Clayton Limited **Brakes India Limited** Sundram Fasteners Limited.

SAA/TVS/037

If you want to set up your plant in Xanadu...



we'll erect it for you

We've been doing this work, erecting installing plants and equipment, in different parts of the world for internationally famous dients. For Fives-Call Baboock (France) in Kuwait; for ASEA

(Sweden) in Iran for Toyo Engineering Corp. (Japan) in Figeria; for MELCO (Mid. East), a subsidiary of Mitsubishi Electric Corp. (Japan), in Iraq. We exect and commission Boilers, Turbines, Piping Systems: Instrumentation for Power Stations, Sugar Mills, Cement Mills, Paper Mills, Fertilizer Complex and Petro-Themical Complex...and any other plant that you name.

This job is our speciality. So, if you want to set up your olant...azywbere but anywhere...we're readt

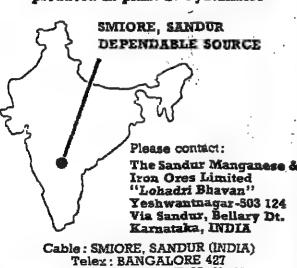


WESTERN INDIA ERECTORS LIMITED Sahyadri Sadan, Tilak Road, Pocna 411 030, India



EXPORTERS OF WORLD FAMOUS SANDUR MANGANESE ORE OFFER

VERY LOW PHOS. PIC IRON AND LOW ALUMINIUM FERROSILICON produced in plant at Vyasankere



GS

Telephone: SANDUR 33, 61, 91

Bangalore: 32175, 28262

INTERNATIONAL

GURMISKH SINGH

& SONS

LUDHIANA INDIA

30 YEARS' EXPERIENCE IN THE TRADE

Manufacturer of Automobile Suspension Parts for Commercial Vehicles.

Similar enquiries welcome for Export.

LONDON OFFICE-OAK REACH LTD.

prestigious order worth Rs 340m other customers. 219, Bishopsgate, London EC2M 3TX

HIGH TECHNOLOGY INDUSTRIES

India has an ample supply of well trained engineers and scientists: In the concluding articles of this Survey our correspondents examine the impact they are making on the country's high technology industries.

New markets for aircraft

BANGALORE COMPLEX

Marut HF-24 (+trainer)

HPT-22 under development

Orpheus 701 and 703

Chetak (Alouette III)

Aircraft/kero-engine quality castings

Overhaul of jet and piston engine

R-II-F2S-300 engine for MiG 21

aircraft, piston engines, instruments

Artouste IIIB

Dart Mk.531

and forgings

and accessories

JFF equipment

ATC radar

equipment

Missile subassemblies

Electronie components

fact that more than 150,000 Praga Tools.

people of various skills are em-

their total. The rest takes care

Accessories for aircraft and engines Hydraulic and air conditioning

Wheels, brakes and pinel instruments

Overhaul F2 engines

MiG-21M air-to-air-missile

Aject (Gnat Nk. 1) (+trainer)

inder developi

Helicopter Cheetah SASIS (+agricultural version) Transport. observation, Spins, France

Advanced light helicopter under devpt. To replace Chectab.

Aircraft

Engine

division

Overhaul

MIG COMPLEX

3 ACCESSORIES COMPLEX

Hyderabad MiG Avionies

division

Korapul

division

Vasik

division

Kanpar

division

marks a new tack in company most electronics company, it the ones with Aerospatiale and Royce, the Indian Air Porce, complete successful south east Asia mis- the production of various acces- meca. with the Artouste IIIB engine sion would thus underline sories and related equipment.

HINDUSTAN AERONAUTICS

Ground attack

Ground attack

(and Kiran)

For HS 748

For Chestal and

rescue \$435,480

raral medicine.

Twin turbsprop

Agricultural

aircraft 586.930

passenger and transport plane for Indian

Defence requirements

Airlines and Indian

Airforce \$2.865,000

antisub, antitank

Observation, rescue,

strike. rescue \$458,400

Ground support

Interceptor \$744,900

Jet (rainer \$1.031.400

Piston-engined trainer

For Aject and Marut Rolls-Royce (1971). UK

Turbomeca, France

Aerospatiale, France

turers, spent 10 days in Malaysia Earlier this year, along with collaboration agreements with engines under agreements with expanding HAL's scale of pro-Vignen, each of them a monand Singapore on a mission that Bharat Electronics, India's fore-foreign manufacturers, such as Hawker Siddeley and Rolls duction. the German-inspired policy: a search for export mar- won a \$750,000 order from Turbomeca, the company has Marut HF-24 ground attack/ kets. The two South-East Asian Yugoslavia to supply specialised built up experience in the pro- ground support fighter powered potential export markets, therecountries both operate Alouette airborne and ground electronic duction of aircraft and heliby Orpheus 703 engines, and lill helicopters, and HAL manus equipment, which is now being copters, the manufacture and the Cheetah helicopter with sought in the civilian field. American A-7 aircraft if Inditactures these as the Chetak for made entirely in India. A the Indian Air Force, complete successful south east Asia mis-

> now being developed, powered further growth. by Orpheus 701 engines in place of the imported Bristol Viper Mk. II engine. The come front, HAL is now looking to pany has also designed and de-take advantage of the booming that the delegation recom veloped the versatile Basant

Trainer

veloping a trainer version of the which is due to roll out in been chosen, but a committee set Rolk-Royce (1971). UK be available for the market by Aviation Ministry. 1981. The company, which began

Like most countries with an duced at HAL, the Air Force's eronautics industry, however, 670-odd combat aircraft include India is not completely indepen-While manufacture of many of its aircraft is from the raw-materials stage. Imports of components and parts are still essential. The timpini-cum-ponent of HAL's aircraft is not greater than 30 per cent, however, and it is said that the figure could conceivably fall to something like 10 per cent when fence . Production starts : proa public sector company being set up by the Kinistry of Deduction (in a couple of years' time) of the ophisticated light alloys used by the aerospace electronics and nuclear induetries.

The strategic decision to aim for a high degree of self-reliance has undoubtedly been costly to India, however, and it is partly because of this that HAL's thiure will be rather dif ferent from its past. For start, the company is no longer pricing its aircraft on a "cost-

with the Artouste IIIB engine sion would fines underline originally made by Turbomeca. India's desire to become a combelliopter. HAL is now manuscripted in France petitor on the world's aircraft closing down its Alouette III markets.

In the process an indigenous from Hawker Siddeley, powered from Hawker transport aircraft under licence service both with the Indian mid-March. Since then report insurgency aircraft was de Airlines, the internal airlines, have emerged, subsequent signed, developed and built at and the Indian Air Force, and denied, that wide differences of and the Indian Air Force, and denied, that wide differences of HAL, and a Mark II version is there could well be scope for opinion on whether the sequisions being developed asserts being developed as a second as a

Aject, the first prototype of Dastur, a collaborator has not political sensibilities.

LAST MONTH a small team line, HAL sees an opportunity from the Bangalore head to supply these and other follows years during which HAL with the engines) in collaboration contracts with spares and compared to supply these and other follows years during which HAL with the engines) in collaboration contracts with spares and compared to supply these and compared to supply these and other follows years during which HAL with the engines) in collaboration cently to a fixed-quotation. However, has worked virtually exclusively the under which contract the consideration with the USSR, After regime, under which contract of the purchase of the Angle interceptor fighters (otherwise known as guaranteed by the government. French Jaguar, the French Hall's second exports success, turners, spent 10 days in Malaysia. Earlier this year along with advanced aircraft said to be enpable of pinning Pakistan' Along with the search for Air Force to the ground point not lost in Pakistar

> A high-powered Indian dele tion is even necessary have appeared between the Defend More subitiously on this and External Affairs Ministries

It has further been suggested business in passenger travel mended the Jaguar, a view the agricultural aircraft, already in which Indian Airlines is pulling will gain strength with las in, and wants to produce a short- month's reports that the Uniter haul 20-seater turbo-prop feeder Staes will not allow the sale of liner to cope with customers the Viggen, which has America wishing to fly beyond the main engines. Selection of the Anglo On top of this, HAL is de-centres. According to HAL's French Jaguar would also have chairman, Air Marshal S. J. the merit of not arousing

an advanced light up to look into the matter - in maile, HAL is obviously hoping helicopter to replace the the running are Dorniers, Beach to be able to build the new six Cheetah and Chetak in 1986-87, craft and Sanb aircraft manucraft, and the suggestion ha and a piston-engined trainer, the facturers — is due to produce heen made that the choice HPT-32, which is expected to a report about now for the Civil depends parily on how willing life in 1940 as : Hindustan . The more controversial aspect allow the technology to be trans

Aircraft and was, merged with of HAL's future concerns India's ferred-perhaps over a period o Aeronautics India in 1964, is proposed purchase of what is years—in order to accomplish thus the embodiment of India's known as a Deep Strike Penetra- this end. India would pre blossoming aeronautics in tion Aircraft. Apart from the sumably want in time to be able MiGs and Marut fighters pro- to export the aircraft as well



Makes a difference when it comes to banking.

To offer assistance and guidance on every possible banking problem, is only one aspect of our expertise. For 70 years, we've been adding to our experience. Spreading out to touch even the most remote corner of

And we've travelled around the world too! With 14 offices in: the United Kingdom and 38 others in Belgium, Fift Islands, Guyana, Kenya, Mauritius, Seychelles, Sultanale of Oman and United Arab So when you want connections

in India, for business or India. Through more than otherwise, get friendly help:
1,200 well-connected branches. from Bank of Baroda...today



United Bank of India

Heritage of Service to industry

The story of UBI is a part of the history of industrial development in the Eastern Region of India, which is also the Bank's major area of operation. UBI had from the begin-

ning deep involvement and commitment in the trade, commerce and industry of Eastern India. UBI has substantial investment in a number of major industries. Some of these are-tea, coal, heavy engineering, iron and steel, textiles, chemicals, fertilizers. drugs and pharmaceuticals, plastic, automobile, tyres and tubes.

electronics etc. UBI's credit assistance takes various forms: loans and advances to

to other financial institutions. With a concentration of 681 branches in eastern states out of a network of nearly 800 branches in India and with Agents and Correspondents at important centres of the world, UBI is geared to meet your banking

existing industries or

meeting their capital

requirements, financing,

sales for their produc-

materials for processing

asset formation in indus-

UBI's term loans help

try. in addition, UBI

nomic development

< helps the cause of eco-

by providing resources

and movement of goods.

the newer ones for

tion, acquiring raw

United Bank of India

needs.

wide range of weapons, amount- stantial impetus to sophisticated nearing completion. The proto- designed mountain guns, field tion and equipment including technology. Examples include type of a 32-ton bottom coal guns, light and heavy mortars; guns, tanks, bridges, missiles aircraft for defence and civil hauler, after completing trials, fuel for missiles; fire-control and all kinds of "software" use by Hindustan Agronautics; is being set for user field trials, instruments; Kruppman bridges; needed by the military. In addi-electronic communication equiption, nine public sector defence ment, radar and professional lator front-end loader has been vehicles. Since peace-time use tion, time puone sector defence ment, taut, and protessional completed and a prototype is of many of these items is undertakings make aircraft, grade components by Bharat completed and a prototype is of many of these items is ships, electronics, heavy earth. Electronics, naval and merchant aimost ready. It is hardly surminimal, production caters also prototype is of many of these items is equipment, machine vessels by Mayazoan Docks: industria has major defence for civil needs and exports. tools and the like. Defence offiliarge capacity dredges tugs and industries have no major probcials in India — like their count hulk carriers by Garden Reach terparts all over the world — Shipbuilders: heavy earthar are secretive about production, moving equipment of various industry to have this enviable like are distributed in the control of the contr but a measure of the scale of kinds by Bharat Earth Movers; record. operations is available from the and high-speed cutting tools by

They have also stimulated ployed in defence undertakings, industrial activity in the smallby nine major undertakings lary and subcontracting work. Defence Ministry but whose example, is in the process of activities are very much part of adding 12 ancillary units to 11

tion in 1977-78 was worth about their research and development profits since production for defence purposes is roughly half Aeronauties' design bureau has the Basant used for agricultural markets lie mainly in the Middle design,

lechnology

Efforts are now being made Of these, 92,000 are employed scale sector by promoting ancil- to maximise "indigenisation" mented will create capacity for by nine major undertakings lary and subcontracting work. In the detent industries, of various kinds of weapons, which are under the wing of the Hindusian Aeronautics, for mostly through their own of various kinds of weapons, which are under the wing of the example is in the process of research efforts but also by rocket and ballistic propellants.

The Defence Ministry says Five

designed aircraft of various that an added push has been making

ron virtually in the same arms market. from a European company; its Efforts of Bharat Earth manner as other public sector exports orders in 1876-77 were Movers' research and develop units, ordnance factories in

ment division at the Kolar gold India have grown in number something like im men whose Indeed, by establishing indi- fields have resulted in four new as well as diversity and sophistineeds are being increasingly genous manufacture of a num- products, of which the 2.3 cu cation. They have achieved selfmer from within the country. A ber of items - frequently based metre track shovel is already sufficiency in such items as chain of defence establishments on their own research and de being produced. User field trials semi-automatic rifles and carrun by the Director-General of velopment efforts—the defence of a 4.5 cu yd front end loader bines; tanks, infantry anti-tank Ordnance Factories produces a undertakings have given a sub- and a 1.8 cu metre shovel are and anti-aircraft guns; specially-

metallurgy, chemical and explosive technology, vehicles clothing and leather. About 40 new projects being intole the defence industries, production of improved versions importing technology. Imports ammunition, pyratechnic storeactivities are very much part of southing 12 anciliary units to 11 importants of certain ranges of sophistiand the like. One example of the country's industrial effort, already working for it. Bharat cated components needed for the kind of help given to civilian with a total investment of Electronics has 14 such units, aeronautical and classical needs is supply to the kind of help given to civilian and classical investment of Electronics has 14 such units. Since self-reliance is the basic aeronautical and electronic needs is supply of commercial industries will come to an end blasting explosives to Coal India when a new super alloys pro- to help the company increase ject. Mishra Dhatu Nigam, is production of a scarce source of

various items of of civil needs and they have kinds, including jet fighters and given to "indigenisation" in clothing and related products substantial export earnings piston engine aircraft such as the past year or so, and units devote nearly 30 per cent of the Rasant used for arrivaltural like Bharat Electronics Bharat their enearly 30 per cent of like Bharat Electronics, Bhatat their capacity to civilian needs spraying Bharat Electronics Dynamics and Bharat Earth and to exports. They take blazagaon Docks is the biggest has been equally successful. Its Movers now make something orders from government departforeign exchange carner - its range of facilities for the approaching 80 per cent of ments like the railways, police, development and requirements for end-products, para-military units. Increas-East but it also has extensive engineering of modern profes. In the case of Leander-class ingly they are supplying other repair facilities at Bombay — gional electronic equipment and frigates being built at Mazagaon countries. While the bulk of and others are forging shead, components meets the needs of Docks, there is no increasingly exports consists of "software" Bharat Electronics, established not only the defence services indigenous input of impressive items, it is now admitted that to meet the more sophisticated but also the police. All India and sophisticated weapons consmall arms are also being sold needs of the armed forces, is Radio, TV stations, the Civil trol systems, electronics equipabroad so that at least a small the leader for professional and Aviation Department, Overseas ment and machinery.

part of India's defence productionsumer products within the Communications Centre, Posts In addition to the major tion capacity is being used to country and recently won a and Telegraphs and a host of defence undertakings which are tap the lucrative international

INDIAN INDUSTRY XXVII

rush for electronics

THE THRUST of official policy sected a production of Rs 7.30bn avoid a monopolistic trend, in electronics is to achieve an for 1978-79. increase in production "inwhich a natural growth of cluding defence hardware) rose in production techniques and

Having given exports a back seat, the effort is now to meet the demands of the economy for electronics in the sixth plan (1978-79 to 1982-83) in the light of investment proposed on various sectors. The slogan is self-reliance and self-sufficiency

(when the first organised effort of less than 10 per cent. This to poost electronics preduction slow growth has created distorwas made under the guidance tions in the industry because of chairman of Atomic Egergy Commission) and 1975 the outrace to Rs 2.9bn, and components to Rs 750m, for which components have consequently the Rhabha committee had set a target of Rs 3bn, and Rs 850m. Subsequently the Perspective Report on Electronics in India Commission have targets-Rs 4.5bn (including city as the main reason for this. One suggestion emanating defence hardware) for 1977 and The emphasis then was on a from responsible government of the need to give a push to Re 5.2hn for 1978. These are wider distribution of the avail- quarters is to bring all public the electronics industry, but in

Electronics production (ex. issue. As a result of advances

Inadequate

the components sector. Poor Partly because of a change in quate availability have hindered electrolytic capaciters and surthe strategy and partly due to the growth of the electronics ware packages for the TDC 312 of the growth of the electronics computer which has been putput has not accelerated as industry. Over the past two developed by the public sector years, components production through the Electronics Corthrough the Electronics Corthrough the Electronics Corthrough the Electronics through the Electronics Cora spure in demand for electronic of Alonic Energy equipment, whose prediction through local development as sion) and 1875 the outhas gone up by 80 per cent in Japan had done in its early electronic equipment the past three years. Prices of stages of development Some Re 3.9bp and come the past three years. scared, contrary to the declining trend throughout the world.

Studies by the Electronics

which has become an emotive

view of the shortage of foreign radios. The favourable terms funded large amounts for re-traffic pattern proved too much exchange reserves to finance the of trade to agriculture over the search in areas considered use for it. ITI was forced to develop past three years are posting ful to the country but the an Indian version of Crossbar demand for electronic gadgets. results do not yet seem to be which is now being installed on impressive. Of course, research a trial basis in Delhi; a similar and development is the most system has been installed risky venture. Quite a few successfully in Surinam. success in transferring know per thousand inhabitants, and attributed to this), and inside silicon single crystals, tantalum countries. But, as in other big Saudi Arabian telecommunielectrolytic capacitors and soft- countries, the choice of switch- cations contract poration of India Ltd. (ECIL). It appears beneficial to buy the through local development as

seeking additional know-how. A debate is on at present as identified to how the Government can management fixed new production fragmentation of installed capa- revitalise the public sector units. accountability.

INDIAN TELEPHONE INDUSTRIES

exports is assumed as well as from Rs 3.15bn in 1975 to automation, the international INDIAN TELEPHONE Indus-ing systems is a difficult one executive put it. "if you can based on exportable electronic industry. A slow growth in supposed to make good the —the mid-1960s—the Crossbar become putdated. Some Crossbar foreign assistance, as it moves items. At that time, exports rural incomes had resulted in gaps, is finding it difficult to system was still unproven and equipment is being imported into the electronic era and the were assigned top priority in a setback to sales of transistor cope. The Government has the peculiarities of the Bombay from Europe and Japan.

units-Bharat Electronics, In-telecommunication strumenation. Ltd., National and space research. public sector units, which have licences to produce new generation components like LSIs, are

The Government is now aware symbol-lown targets, since the spile capacity among a large sector production units under its search of acceptable alternation document had pro-number of entrepreneurs to the umbrella of a holding com-tives, the present government

production to meet only felt Rs 4.53bn in 1977-an annual trend is for increasing the scale tries, the State-owned manu- Much of the existing network is tackle the problems of the needs in the domestic area, average growth of more than of production. The Commission facturer of telecommunications based on Strowger and the FTI Indian telephone network, you without now are taken average growth of more than of production. The Commission facturer of telecommunications based on Strowger and the FTI Indian telephone network, you without any artificial boost to 20 per cent. Consumer elec. has worked out minimum viable equipment, had a disastrous management is well aware of can tackle anything." But the any sector."

tronics, whose growth had capacity for component units experience when it introduced the danger of jumping tog management is also well aware Clearly, this is a major policy decelerated in the previous under Indian conditions and in Bombay the Pentaconta quickly into the electronic age, of its limitations in technology shift since the thinking six three years, provided the neces. These will be kept in view while version of the Crossbar system At the same time it is reluctant and has no qualms about seekyears ago was to achieve maxi. Sary push. The rural market is licensing new capacity. In collaboration with ITT's to commit too large an invest-ing foreign assistance.

The mid-loss of growth the backbone of the radio The public sector, which is Belgian subsidiary. At that time ment to Crossbar, which may It is clear that ITI will need the mid-loss of the radio The public sector, which is mid-loss of the radio The public sector and the radio The

management has no inhibitions which and microwave systems, it is control and other projects initiated many years. There is huge scope for electronic equipment. It has The Achilles heal at the age are still in progress. The expansion in India since there carried out work successfully in Indian electronics industry is Government, however, claims are still only three telephones third countries, both on its own in collaboration with ration. self-reliance and self-sufficiency the components sector. Poor how for commercial exploits compared with more than 600 foreign companies. It is in the experience, it is unlikely to trues.

Self-reliance and self-sufficiency the components (40 per how for commercial exploits—compared with more than 600 foreign companies. It is in the experience, it is unlikely to trues.

The components sector. Poor how for commercial exploits—compared with more than 600 foreign companies. It is in the experience, it is unlikely to true.

The components sector. Poor how for commercial exploits—compared with more than 600 foreign companies. It is in the experience, it is unlikely to true.

> organisation for public sector Gaps are to be filled in medical on the dreaded multinationals, steel plants. There are six large electromes, computers, defence, but it does imply the need for basis and try to improve it Instruments, Indian Telephone for fereign participation exists sectors of the industry—the Industries, ECIL and CEL- in fields other than defence foreign-owned sector, the public controlled by various ministries, and space research. In fact, sector, the large-scale private Opponents of the move put when the public sector failed to sector and the small-scale sector. forward the example of Petro- rise to the occasion, the Governleum and Chemicals Ministry ment brought in Honeywell to invited foreign electronics comsplitting the public sector fer- make control panels. Another panies to establish exporttiliser industry into small and significant example is Siemens, oriented ventures in the Santa "viable" companies to improve which has adopted an uncon-cruz Electronics Export Process and ventional approach. It has ing Zone (SEEPZ) in Bombay lic sector Bharat Heavy Elec-mainly because of the world

> > experience of ITI shows, there however, in electronics has to have access

about this. A major problem is has 24.000 the lack of an indigenous es, has a substantial components industry: developresearch and development pro- ments in ITI have to be seen gramme in such fields as UHF in the context of the Indian electronics industry as a whole, doing work in stored pro-including of course, computers For the moment the company developments

various possibilities of collabo-

pany on the lines of the appears to be less doctrinaire. This does not mean dependence hardware a non-doctrinaire approach to

The Indian Government has

offered collaboration to the pub- Progress at the start was slow tricals. Ltd. to make thyristor recession in electronics, but a control drives of higher ratings number of promising ventures while seeking permission to pro- has been started up. For duce drives of lower ratings in example. Tata is planning a joint venture with Burroughs of It is certain that in elect he U.S. for the manufacture of tronics; probably more than any computer peripherals: India other industry, foreign com- and Brazil will be used by panies will be needed both as Burroughs as the two supply investors in India and as sup-sources for certain types of pliers of technology. As the equipment. It is still unclear. are important gaps in Indian SEEPZ will be in spreading new companies' technology which technology throughout the

can only be met with foreign domestic electronics industry. assistance. Moreover this is a The structure of the industry, field. where technology is both the public and private parts changing at an extrardinarily of it, will need to rapid rate; any country which strengthened if India is to make wishes to establish a position a major advance in electronics.

Expanding the directions of technology



In 1958 XLO India commenced operations putting up a plant at Thane near Bombay to manufacture Special Purpose Machine Tools and Automotive Components. The underlying idea was to introduce the technology of the developed world suitably applied to the needs of a country which was then in the infancy of its industrial development. This idea has been the guiding philosophy of the company in the 20 years of its existence and in this time, XLO India has succeeded in bringing about a fusion of the best that the advanced world can offer together with the new knowledge that has been acquired from the experience of industry under completely different environmental conditions.

Today with this knowledge, XLO India is able to stand on its own legs, both in the manufacture of its Propeller Shafts, Steering Gears and other Automotive Components as well as in the design and manufacture of Special Purpose Machines increasingly being used in Indian industry.

The apprenticeship is now over and XLO India looks forward to a brighter tomorrow in co-operation with the developed world to expand the directions of technology from a country which is emerging as a major industrial

XLO INDIA LIMITED 78B, Dr. Annie Besant Road. BOMBAY 400 018, INDIA

Fresh objectives in pharmaceuticals THE PHARMACEUTICAL in Employees of foreign

nustry is in for structural, thanges It has been set three the set three in five years from the 1977-78 level of Rs 8.5bn to reach the Sixth Plan target of Re 19bn in 1982-83. Secondly, the country is to be put well on the. way to self-reliance in drug echnology and self-sufficiency in bulk drugs, a substantial pertion of which are now imported. The third objective is to make oreign companies which had intered the country when there. partiting, vere no rules and regulations ibide by the norms now governng foreign investment.

Before the Foreign Exchange togulation Act (FERA) was inroduced, foreign investment ould how unrestricted into the mail-scale sector (investment n plant and machinery of islm). The realisation of the ret two objectives will depend in the projected trebling of ulk drugs production from 1 85hn in 1977-78 to y 4.75hn in 1982-83.

While the objectives are unreeptional for a developing unity, the strategy of achievig them is being questioned, he Convernment wants to reals the ambitious drug product on target by reducing the role those forces which had conevelopment up to now. A ading role is assigned to ie public sector in production glur and the remainder chared the private sector, both egian and foreign.

ssential

multive needs and the availmultive needs an

major (bjectives, the first of Selected pharmaceutical companies with more than 50 per cent to other FERA companies. Foreign equity

		As of year		as % of paid-up Capital
, I.,	Abbeit Laboratories (India)	å		
	(subsidiary)	1975/76	0.1	100 -
7.	Beecham (India)	1975/78	8.6	100
	(The) Boots Company	3-		
	(Della)	1975/76	7.75	58.1
. 4	Barroughs Wellcome & Co.			
9	ATT	1975/76	5.0	199
8.	C. E. Fulferd (India) (Sub-	. 87		
	sidiary)		0.3 .	100
6.	Ciba-Geigy of India	1975/76	\$1.8	*68 .
7.	Cyanamid (India)	1975/76	14.61	65
	E. Merck (India)	1975/78	7.3	490
1	Giaxo Laboratories (India)	1975/76	79.98	75
10.	Indian Schering	1975/76	. 0.6	88.7
11.	Johnson and Johnson	1973	*3.6	*75
	May & Baker (Branch)	1975/76	N.A.	100 .
13,	Merck Sharp and Dohme of		•	:
	India	1975/76	18.0	. 60
14.	Parke-Davis (India)	1973/76	21.0	33.33
I5.	Plizer	Ar on		
	and the first section of the section	ealTI\ ta1#	35. 3 3	73
	Richardson Alndustan (incl.		**	
	Wm. S. Merrell and Co.)			33 ·
	Roche Products		*10.0	89
	Sander (India)		15.0	48
	Smith Kline and French			
	(Resident Branch)		N.A.	100
	Wyeth Laboratories		6.0	74
	*Hathi Committee Report 1	973	•	

only 30 per cent. An encourage— The impact of the policy will promotion and profit — is a ment to the use of indigenous be tell on 45 foreign companies matter of concern to Indian and

used in 1979-77, Rs 232bn (45 the foreign companies to drug and four West German.

the Rs 25hn additional in- forcing the latter to market to tee) and those with "high" per cent return on net worth symmetry proposed to achieve non-associated formulators 50 technology will be allowed to (equity and free reserves) helps Rs 19hn production target, per cent of bulk drugs produced retain foreign equity as to more only the public sector, which is a light will be in the public by them.

The change of strategy is be- bulk drugs is provided for in the (our-of 2,500 drug producers) foreign drug companies. The change of strategy is beout of a feeling in the Gaytorm of linkage of bulk drug accounting for 43 per cent of
mount that foreign drug commies have concentrated on the
ifficable lines of formulations
the neglect of bulk drugs,
pecially those considered
companies is provided for in the
companies is provided for in the
country of linkage of bulk drug accounting for 43 per cent of
total pharmaceutical produc
extegories, out of the four into
the neglect of bulk drugs,
in the off-repeated demand for
branches of multinationals. In
divided the mark-up is only 40
the off-repeated demand for
the neglect of bulk drug companies.

The off-repeated demand for
the neglect of bulk drug companies.

The off-repeated demand for
the neglect of bulk drug companies
total pharmaceutical produc
extegories, out of the four into
the neglect of bulk drug companies.

The off-repeated demand for
branches of multinationals. In
divided the mark-up is only 40
the neglect of bulk drug companies.

The off-repeated demand for
the neglect of bulk drug companies.

The off-repeated demand for
branches of multinations are
the neglect of bulk drug companies.

The off-repeated demand for
branches of multinations like in the mark-up is only 40
the neglect of bulk drug companies.

The off-repeated demand for
branches of multinations are
the neglect of bulk drug companies.

The off-repeated demand for
branches of multinations are
the first and second
extegories out of the four into
extended to the first and second
extended to the first and second
extended to the first and second
extended to the foreign drug companies.

The off-repeated demand for
branches of multinations are
the first and second
extended to the first and second
extended to the first and second
extended to the foreign drug product
extended to the foreign drug product
extended to the first and second
extended to the f rential 'the country. Out of The Government seems to have by country. 18 of the 45 are items like vitamins and cardioRe 7bn formulations pro- recognised the contribution of American, 13 British, six Swiss vascular drugs, the mark-up is

ir cent) were accounted for by production when it watered On current reckoning none of structure coming into force e foreign sector as, against down the recommendation three the companies is in an uncom-next year - there is a price As 630m bulk drugs pro- years ago of a government com- promising wood as in the case freeze for one year — will have used by it. On the other hand mittee headed by Mr. J. L. of Coca Cola or IBM, and most to take the realistic of the situation of public sector in Hatter to reduce the foreign of them are exceeded to fall the into account. The whole ilk drugs and formulations equity stake to 26 per cent. line with the new drug policy, price fixing exercise has been orked out to 32 per cent and Originally, the FERA guidelines The Organization of Pharma, so ad hoc that the application per cent respectively.

accorded a priority status to the centical Producers of India of even that the application accorded a priority status to the centical Producers of India of even the limited mark-up for the Government has defined from another distance to 74 per fiveless. which the various recent the drug industry can be stripped it of the priority status and the availability of technology. Foreign

including chloramphens had FERA guidelines and Hathi the manner of disinvestment by the manner of distinct form into the manner of disinvestment by the manner of distinct form into the manner of distinct form in

companies are to be offered up to 10 per cent of share issues. which can sell shares to the Indian public at the price fixed by the Capital Issues Controller. A beginning has already

been made with Bayer india. which has been asked to allot additional capital, being raised to finance an expansion pro gramme, to financial institution and not to the general public as was proposed earlier.

Curbs

On the basis of the revised norms for drug companies' foreign equity dilution, there will now be four sectors - the State sector, a new joint sector with private foreign and Indian Government Indian private sector and foreign sector. The Indian private sector of course welcomes the curbs on foreign drug companies. At the same time it does not want reservation of items for the public sector, It is also opposed to the new joint sector since the Government will find it economic to allow full utilisation of capacity of equity-diluted foreign units and expansion of capacity, which is considered a detriment to the growth of Indian private sector.

A point of common concern are the changes in the drug pricid distribution of drugs. Out the foreign sector (5:1) and by recommended by Hathi Committing. The decision to allow a 12 by them.

In contrast the public sector duantum and the classification drugs, to be in the black. The distributed drug production and the private indian drug companies only 30 per cent. An encursor.

100 per cent. The new price

R.C.M. to the international "club."

Many Companies start life by looking after their smallest customers. When they've grown, they often seem - unfortunately - only to bother with their biggest clients.

Not so Kirloskar. Although Kirloskar have grown into one of the world's largest builders of electrical equipment - with an international reputation for reliability - they still look after every customer, however big ... however small.

Kirloskar motors and alternators, welding and control equipment, transformers and generators meet the needs of industry on an international scale. Remember. however, that electrical products are only as good as the service that backs them. Kirloskar service is superb ... and truly world-wide.

A RENOWNED NAME IN ELECTRICAL ENGINEERING

KIRLOSKAR ELECTRIC COMPANY LIMITED

H.O. & Unit 1: P.B. No. 5555, Malleswaram West Bangalore-560 055, INDIA

Enquiries to:

Unit II: Hubli-580 021 Unit III: Peenya Bangalore-560 057

P·M·Engines Limited

35, Piccadilly London, England Telephone: 01-4391637 & 01-7341068/7/8

An internationally established distribution and service network ensures complete after sales back up



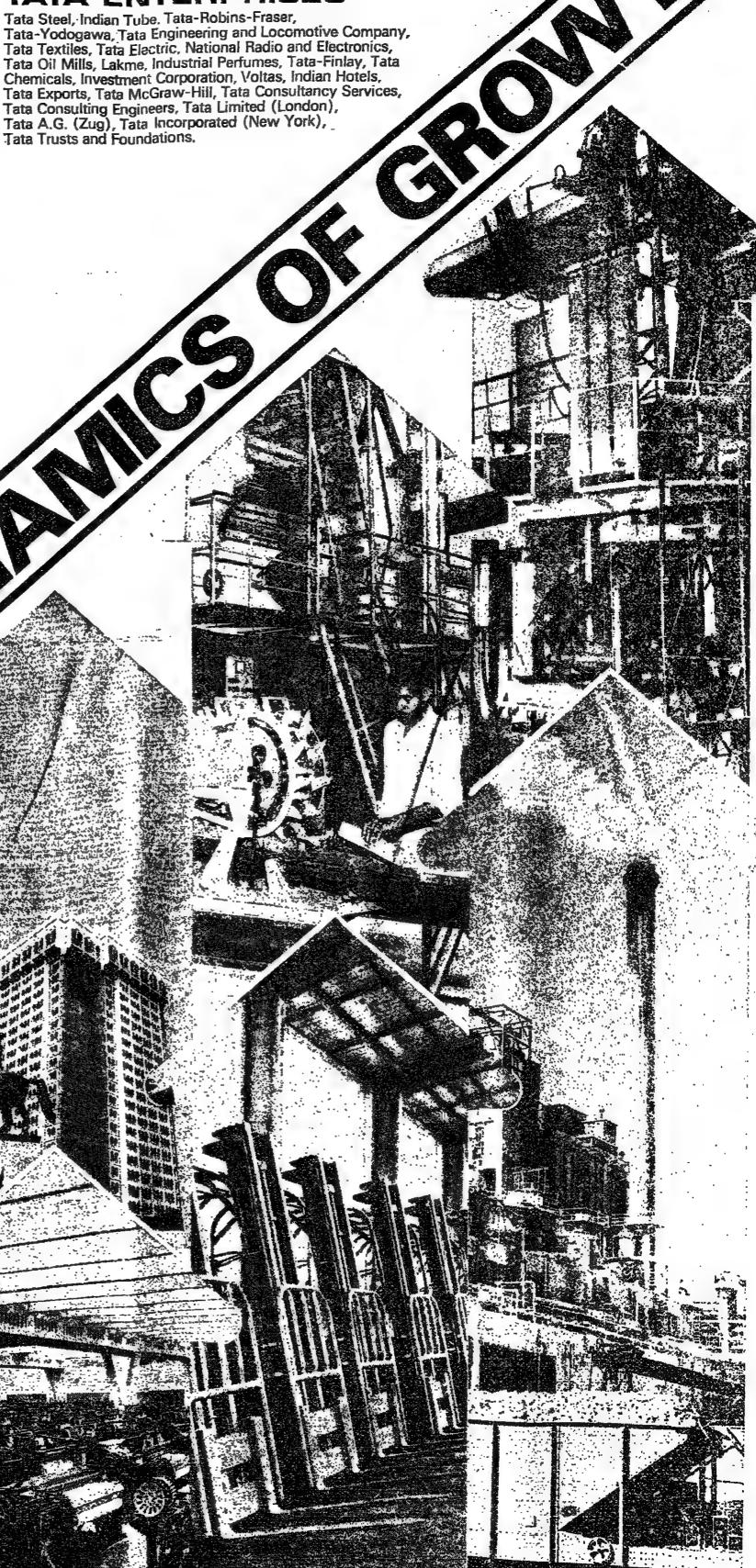
Tatas are cutting an increasingly large silhouette on the world trade horizon. From its two-million tonne steel-making complex in Eastern India the Tata Iron and Steel Company, for instance, exported in 1976-77 its largest quantity of steel ever. Voltas has recently undertaken over 20 projects in the generation and distribution of power, water well drilling, and drip and sprinkler irrigation systems abroad in countries ranging from Iraq to Indonesia and Mauritius to Malaysia.

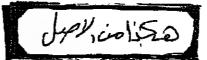
The Tata Engineering and Locomotive Company also chalked up its highest overseas sales ever last year with exports of commercial vehicles and excavators and spare parts. At the other end of the industrial spectrum, Lakme broke new records in overseas sales of cosmetics. The Tata Consultancy Services multiplied its exports of software by more than 1200 per cent in the last four years and was India's top engineering exporter in 1976-77 among the exporters of engineering services from India. Tata Finlay teas in bulk are exported to every major tea consuming country in the world. Virtually every well known tea packet in the world contains Tata Finlay tea. In addition the company exports tea bags and packet teas to several countries. Tata Finlay also manufactures a superior quality instant tea powder for the world market.

The growth of our activities abroad in the last few years is not unusual. What is unique is the philosophy behind it—our pledge to the overseas buyer to operate at and to maintain the highest standards of quality control and delivery schedules. The accumulation of industrial experience expertise and know-how at Tatas is being made increasingly available to overseas customers today through the supply of Tata products and in turnkey projects in several parts of the world.

TATA ENTERPRISES

Tata-Yodogawa, Tata Engineering and Locomotive Company, Tata Textiles, Tata Electric, National Radio and Electronics, Tata Oil Mills, Lakme, Industrial Perfumes, Tata-Finlay, Tata Chemicals, Investment Corporation, Voltas, Indian Hotels, Tata Exports, Tata McGraw-Hill, Tata Consultancy Services,





Carter's gamble in the Middle East

BY JAMES BUXTON

THE MIDDLE EAST summit Israel's problems took less Israel's military capability has to the summit know that there die, in another war. may be nowhere to turn if a

their negotiating positions for pared to consider giving up ment has created the impression the summit. Each side naturally some terrupry on the West that it formulates policy on a is anxious to ensure that if the Bank and the Gaza Strip. For day-to-day basis. Mr. Begin talks do break down it will be a man who has so often stressed himself has seemed torn the other side that gets the the need for Israel to include between the desire to be the blame for "intransigence" and the biblical regions of Judea man who brought Israel peace "obstruction." The U.S., too, and Samaria, that is something and the fear of being the man must work out exactly what role of an advance, and it has not who gave away part of the hister will be playing at Camp David. it will be playing at Camp David, been popular with all of lus toric land of Israel. Given the complexity of the supporters. on Mr. Begin, the Israeli Prime Minister, and on Mr. Sadat, the most that can be hoped of the Arab demands Camp David meeting is that it will lead to a new, more fruit.

But this is well short of what it should be remembered that will lead to a new, more fruit.

But this is well short of what it should be remembered that will lead to a new, more fruit.

But this is well short of what it should be remembered that his negotiating team to leave a breakthrough would, perhaps, and is even further short of the his negotiating team to leave demands of other Arab states, Jersusalem and break off negotiations in appeared to be in sight in spite the short of what it should be remembered that the short of what it should be remembered that the short of what it should be remembered that the short of what it should be remembered that the short of what it should be remembered that the short of what it should be remembered that the short of what it should be remembered that the short of the his negotiating team to leave demanding in January he suddenly ordered his negotiating team to leave demanded to the short of the his negotiating team to leave demands of other Arab states, it is should be remembered that the short of the his negotiating team to leave demands of other Arab states.

But this is well short of what it should be remembered that the short of the his negotiating team to leave demands of other Arab states.

But this is well short of what it should be remembered that the short of the his negotiating team to leave a short of the his negotiating team to leave a short of the his negotiating team to leave a short of the his negotiating team to leave a short of the his negotiating team to leave a short of the his negotiating team to leave a short of the his negotiating team to leave a short of the his negotiating team to leave a short of the his negotiating the his negotiation.

meeting which President Carter urgent, they are no less serious: become so much greater than has called for early next month in the 30th year of its existence that of the Arab states since the at Camp David in Maryland is it must now devote about 40 war of 1973 that its own prohably the last chance of per cent of its budget to proffered concessions have making decisive progress in the defence, and Israelis must bring generally been seen as stingy phase of the peace process up their children and even and grudging. Mr. Begin has which began when President their grandchildren to accept not looked the man to rise to Sadat of Egypt visited Jerusalem the strong possibility that they the occasion of the pyscholast November. All three parties will have to fight, and perhaps logical breakthrough which Mr.

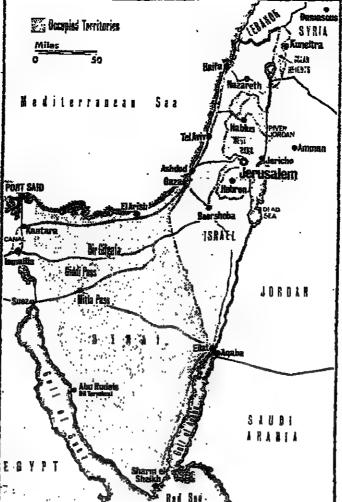
under the chairmanship of the ment. Since last November Mr. some unfortunate and fierce U.S. ends in fallure. The U.S. Begin has made what by remarks. Government clearly believes Israeli standards are quite sub-

Sadat's trip to Jerusalem unmeeting of the two chief parties But the need for peace does doubtedly represented. His to the Middle East conflict not by uself produce a settle standing has not been helped by

Contradictory policies have FORT SAID that only by dramatically raising stantial concessions. He has been pursued by different the stakes is there any possi-broadly offered to give up Sinai ministers, especially on the billion of reviews possible. bility of reviving negotiations. and has lately indicated that thorny issue of Jewish settle-Egypt and Israel have the after a five-year period of local ments in the occupied terrinext three weeks to formulate autonomy Israel would be pre-tories, and Mr. Begin's govern-All this has played into the

hands of Mr. Sadat, who

generally appears to be the reasonable of the two men. Yet . But this is well short of what it should be remembered that



meet the needs of a population they should have some form of Mr. Moshe Dayan.

Concern not of Egypt but of Mr. Sadat's stance. In the Arab is likely to ask Egypt to drop There is uncertainty about what specific enough on the issue of growing too fast for its land. Palestinian government.

Mr. Sadat has varied his Jordan and the Palestinians world the Egyptian leader is the propaganda war against Mr. Vance meant by saying that withdrawals to enable the peace found, and water resources. If it is perhaps partly because negotiating position this way (indeed, according to the deci-fully supported only by Sudan. Israel, or to dissociate itself the U.S. would be a "full process to continue.

cial backer to the tune of at take the first steps to normalis. Mr. Vance and Mr. Carter's least \$1bn a year, has always ing relations. These are things national security adviser, Mr. been lukewarm about Mr. which Mr. Sadat may not be Zbieniew Bizezinski, have Sadat's initiative. It feels that able to give, in view of his emphasised that the U.S. is any settlement which Mr. Sadat dependence on Saudi Arabia. reaches with Israel is likely to That is why Israel now seems prepared to make its own pro-

between Palestinians and Iraq: North and South Yemen are on

Saudia Arabia. Egypt's finan- from the Arab howcott, or to partner" in the talks. Both

fall well short of what other to be looking for a formula posals if the talks one down. Arab states demand; that a sell-which will enable it to appear. On the other hand it is the out could lead to dangerous flexible on the losue of the West theme of Mr. Sadat's poncy over

The Arah world already does posed by Egypt. Israeli officials would inevitably be more to the look dangerously divided and stress that Mr. Dayan also said disadvantage of Israel than unstable in Saudi eyes. The Israel would never return to the Egypt. A U.S. plan seems unin Lebanon is pre-1967 war borders regardless likely, however, and pressure is deteriorating; a fend has been of what security guarantee it is a weapon that would have to be raging both within the offered. Palestinian movement and appears to be more under within the Israeli Cahinet for vote. There is probably a majority please the Jewish Democratic Soviet domination than before, some vague offer of territorial table. The Jewish lubby has

Compromise

There even are reports of arms being smuggled into Saudi Arabia from Iraq. In the past shares this view, as it now appears he does, it can be few weeks Crown Prince Fahd hardened into a negotiating of Saudi Arabia has been pressing Mr. Sadat to take a firmer. At all costs Israel wants to less conciliatory line towards avoid house some battle rest. The dewish lobby has compromise and if Mr. Begin the form is there any point in applyaing U.S. pressure to obtain a settlement which turns out to be politically unviable for Egypt. less conciliatory line towards avoid being seen to be the party. The U.S. intention appears to Israel in the hope of achieving which caused the negotiating he to reach a declaration of a more united Arab front from process to break down.

Principles on the lines of that which to peoplate. For Saudi

which is patently unable to and that after a five-year period Kent with his opposite number, and Gaze, which are the direct tinians are firmly opposed to makes territorial concessions it decision to attend the talks. September summit that was

instability in Egypt and would Bank and Gaza without actually the past seven years that only play into the hands of the committing itself to withdraw the U.S. can bring about a "rejectionist" states such as ing from occupied territory. It Middle East settlement, and that Syria and Iraq; and that this has not made any concessions it can do so by putting pressure would threaten the fundament- in the past few days to enable on Israel in the form, for ally fragile oil states with their the talks to go ahead, and the example, of reducing aid. He monarchical governments, their U.S. appears to be pinning its would no doubt like to see Mr. valuable but vulnerable assets, hopes on Mr. Dayan's offer at Carter produce an American and their lack of human Leeds Castle to discuss terri- plan which the U.S. would have torial compromise if it was pro- to push through, and which used cautiously, not least because with mid-term Congressional elections due less than two months after the summit

is an apparently unspectacular of mention the Palestine apparently unspectacular of the lines of that apparently unspectacular of mention the Palestine apparently unspectacular of the lines of that apparently unspectacular of principles on the lines of that apparently unspectacular of some tackes apparently unspectacular of principles on the lines of that apparently unspectacular of the lines of that apparently unspectacular of the lines of that apparently unspectacular of principles on the lines of that apparently unspectacular of the lines of that apparently unspectacular of principles on the lines of that apparently unspectacular of some tackes apparently unspectacular of the lines of that apparently unspectacular of the lines of that apparently unspectacular of the lines of that apparently unspectacular of principles on the lines of that apparently unspectacular of the lines of that apparently unspectacular of the later apparently unspectacular of the later apparently unspectacular of the later of the lat

Letters to the Editor

British exporters and entry to the Japanese market

From the Director General.

pressed the level to 20 per cent, reliance of importers for credit was more profitable under the

From the Director General.

Kridanen

Sir.—According to my understand per cect. If trade and propertity standing, Mr. Nichol, chairman per cect. If trade and propertity standing, Mr. Nichol, chairman per cect. If trade and propertity standing, Mr. Nichol, chairman per cect. If trade and propertity standing, Mr. Nichol, chairman per cect. If trade and propertity standing, Mr. Nichol, chairman per cect. If trade and propertity standing to methods. The pressure now is first to make comparable terms.

Solomn requiem mass for Pops Ballet To Gala Season, with stars of the Japanes business of the Japanes b

however very surprised and the intermetric to another the mentioned of the that it his the swifter paths, of expanding about the properties of the third that it his the swifter paths, of expanding about for the mentioned several But to the extent to whigh it is obtiged to change its production prints which are based upon our effective it now ongoined in procedure, after great difficulty, than proportionate, this is now offered information or misunders. British favour, and not against and later, as the situation became market, which thereby, tend to in the Japanness fitstribution depression, they strongly proportionate, this is now discourage the efforts of British agriem some more direct tested against the advance made capaness market, but it may be market, which thereby, tend to the Japanness fitstribution depression, they strongly proportion and correct information is as Japanness and the system is older than the ever, after a long and hard correct information is as Japanness' bug business' enter-struggle, were finally accepted follows:

Japan's "national connomic its complexity. Had they been strategy," as stated to prime in a position to control its titled. Hisch were less thinking the strategy," as stated by Prime in a position to control its titled. Hisch were less thinking the strategy, as stated by Prime in a position to control its titled. Hisch were less thinking the prime of Japan's exports for the Major Japanness' industries to which they were entitled to the medical prime in a position to control its titled. Hisch were less than the system of the strategy, as stated by Prime in a position to control its titled. Hisch were less to consume the seller and include of Japan's exports for the large the prime in a position to control its which how to the prime in a position to control its which how to be prime in a position to control its which how to be prime in a position to control its which how to be prime in a position to control its which how to be prime in a position to control its better the prime

GENERAL Relance of payments figures (July). Index of industrial production OPPICIAL STATISTICS provisional).

Retail sales (July, provisional). (2nd quarter). The Queen returns from cruise COMPANY MEETINGS Hall, SE), 7.45 the Western Isles and goes to See week's Financial Diary on EXHIBITIONS laimoral.

Stern (violin) and Pinchas Victoria and Albert Turnover of catering trades Zuckerman (viola) in programme South Kensing 2nd quarter).

OMPANY MEETINGS Catering trades Zuckerman (viola) in programme South Kensing 2nd quarter).

Exhibition of Catering trades Zuckerman (viola) in programme South Kensing 2nd quarter 10.

Exhibition of Catering trades Zuckerman (viola) in programme South Kensing 2nd quarter 10.

Exhibition of Catering trades Zuckerman (viola) in programme South Kensing 2nd quarter 10.

Exhibition of Catering trades Zuckerman (viola) in programme South Kensing 2nd quarter 10.

NW3 (until September 3). Sir Gilbert Scott centenary exhibition. Print Room Galleries, South Kensington, SW7 (until Exhibition of 17th century Dutch painting, National Gallery,

on EXHIBITIONS

National Postal Museum, King Sentember 171.

Edward Street, EC4. Open 10 am Sentember 171.

Josiah Wadawood exhibition, of to 4.30 pm, Monday to Friday.

Historical development of time. SW7 (until Sentember 24).

Today's Events

June 1978



Yen 10,000,000,000

Japanese Yen Notes due 1990

UGOBANKA united bank

BELGRADE

DAIWA SECURITIES CO. LTD.

THE YASUDA TRUST AND BANKING THE FUJI BANK, LIMITED

THE MITSUI BANK, LIMITED

These notes have been privately placed in Japan with the following institutions

Bureaucracy

And at the end of three vexts singueers and thus raise their the first period for the holding status.

From Mr. D. Leule

Sir.—I received by post the other day a letter acknowledge in a my application for a standard incrner under the Consumer Credit Act, 1974, and giving me a reference number to quote in time the obsession with the true standards and thus support the incrner number to quote in fine to holding a number of the first the act so-called elitism of which his accordance with the Office of Fair Trading.

This set me thinking about the which go with it for the protession of a standard incrner under the consumer of the first as a compulsory package! withing to obtain a particular the whole roison deter of the a distinction of the status of the protession of the lender's make it cannot under the consumer of the lender's make it easier for anyone of the lender's make and not to other charges accused).

This set me thinking about the which go with it for the protession of harder. The hornering operation, and the a company not to deal with him. Service withing to obtain a particular the whole my cheque was presented for payment was exactly the opposite to the long delay min insultivals to control the system. What is actually easy a solution for Government, hardly led to a rasing of the bost of the long delay of the bost of the long delay of the lender's most of the long delay o from attempting to reach them. This is not "sextem" or "sex. But I cannot support the IEE's distrimination." it is simply desire for the deadening hand of normal business sense to limit to see the kind of money

from Ar. J. Morris

from Ar. J. Morris

from Ar. J. Morris

from Ar. J. Morris

involved.

So what will this money he used for? I suppose, for a start, to reimburse Government for the large advertisements, placed in national papers and magazines indicating that licenchial was on its way. Then there were the books setting out the requirements of the Act for those whose activities were covered by the made through credit dureaux and criminal files to see if there are covered by the made through credit dureaux and criminal files to see if there are the joan and the consequent repayments to a level which the borrowing couple can afford. The possibility, or even probability, that the young woman's income will be eliminated for a period to one of the factors to be taken

Sir.—The fuse about building men but prevents the applica-sociaties ranking young matried tion of the same considerations women's salaries less than those to young women, then surely

made through credit bureaux and command flats to see if there are any adverse entries. I still do not see that adding up to 145 so. I suspect that there will be other, joys to come For example, how seem half-yearly return showing from Mr P Mason the number of cases dealt with Sir.—Mr. Gainsborough dent's use, of the words funds to a building secretary of the forms to be completed in triplic (August 4) secretary of the little of course) and process lastishion of Electrical tion. I describe building men but prevents the applications someties tanking young matried ton of the same considerations women's salaries less than those of men seems to be getting out this is the real disamination of hand with headlines such as and the law should be changed dent's use, of the words funds to a building sensety of the words funds to a building sensety of the describe building whom the normal criteria of the light to repay have not been applied a perfect of the same considerations of mended by his institution, is are a medium for bringing Grey Gables Middle Acenua, course, to show that once set up necessary to improve the together leaders of money to Fornham, Surrey.

is v permits normal commercial considerations to be applied to

into account when as-essing the borrowing couple's future finan-

cial position.
If, as Lady Howe implies, the

The Yasuda Trust and Ranking Company

Federation of Labour Banks

The Daiwa Bank The Mitsui Bank

The Fuji Bank

The Mitsubishi Trust and Banking Corporation

The Mitsui Trust and Banking Company

The Bank of Ikeda, Ltd.

Mitsul Mutual Life Insurance Company

The Industrial Bank of Japan The Sumitomo Trust and Banking Co., Ltd. Asahi Mutual Life Insurance Company The Bank of Tokyo, Ltd. The Chiyoda Mutual Life Insurance Company The Chuo Trust and Banking Company

The Gunma Bank, Ltd. The Hokuriku Bank, Ltd. The Long-Term Credit Bank of Japan Minato Credit Association Limited

Nippon Dantai Life Insurance Company, Ltd. The Tokyo Credit Association The Toyo Trust and Banking Company

The Yasuda Fire and Marine Insurance Company The Daihyaku Mutual Life Insurance Co.

The Chiba Kogyo Bank, Ltd.

The Nippon Trust and Banking Co., Ltd.

The Sumitomo Marine and Fire Insurance Company

The Ogaki Kyoritsu Bank Ltd.

Yamato Mutual Life Insurance Co.

The Bank of Kyoto

The Nichido Fire and Marine Insurance Company

The Saitama Bank, Ltd.

The Shikoku Bank Ltd.

COMPANY NEWS

Star Offshore turns in £1.9m as rate of profit growth slows

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

Interest % 10; 11 11; 11; 11; 12 12 12;

Rates for larger amounts on request. Deposits to and further

information from The Chief Cashler. Finance for Industry

Limited, 01 Waterloo Road: London SE1 8XP (01-928 7822, Ext. 177). Cheques payable to "Bank of England o/e FFI." FFI is the holding company for ICFC and FCI.

BOND DRAWING

The distinctive numbers of the bonds, drawn in the presence of a Notary Public, are as folio

U.S. \$31,500,000 nominal bonds will remain outstanding after 15th September, 1978,

28-21 28-23 26-23 26-23 26-23 26-23 26-23 26-23 26-23 27-50 28-23

office of :-

THE BRITISH offshore support

THE BRITISH offshere supports services proup. Star Offshere species aroup. Star Offshere services proup. Star Offshere service

BOARD MEETINGS

the following companies have notified bring into service a four field bring into service a four field bring field service a four field bring field bring field bring field service a four field bring field bring field service a field bring field bring field service a field bring field bring

anchor handling supply ships in the North Sea. The annual report by various UK shipping companies warns that the influx of more and financial institutions, has in foreign, mainly Norwegian, competition may serve to force greater specialisation in diving and subsea maintenance operations of preference and subsea maintenance operations of preference is else achieved in early 1878.

Star Offshore, which is owned

Lynton revalues properties A revaluation of Lynfon Holds he an income deficit on the proings' investment properties in the perty when let.

Wr. Lambert says that in the UK year rose from £0.47m to £0.56m

5,774 9.313 9772 Thurs. 7.279

TELEFONAKTIEBOLAGET L M ERICSSON

91/4% Bonds 1991

S. G. WARBURG & CO. LTD., announce that the redemption instalment of U.S. \$1,750,000 due 15th September, 1978 has been met by purchases in the market to the nominal value of U.S. \$350,000 and by a drawing of bonds to the nominal value of U.S. \$1,400,000.

Ratcliffs ahead to £0.82m at midway

ON SALES down from \$21 85m to \$21.47m taxable profit of Ratcliffs (Great Bridge), brass and copper

to profit

AS FORECAST at half-time. Hawthorn Baler returned to profits in the second balf of the May 31, 1978, year with a \$40.307 surplus, reducing the pre-tax loss for the year from £30.533 to £11.893.

Directors say this was mainly

W. Lambert says that in the UK year rose from £0.47m to £0.56m first went to customers in September 28, 1978, year for a total in letting its office building in Norwich but considers that property valuation in the accounts is shown at 146.37m, and the chairman. Mr. Lambert says in his annual statement that directors have reduced the existing book value of its soon to be completed 10,000 square metre office development market conditions.

The chairman ages that in the UK year rose from £0.47m to £0.56m first went to customers in September 28, 1978, year for a total in letting its office building in Norwich but considers that property valuation in the accounts is shown at pects are improving. During the year end current assets were at the pert of the listed building. 12 Austin Friars, and schieved a successful letting to Commercial for the short of the listed building. 12 Austin Friars, and schieved a successful letting to Commercial for the short of the continue to increase.

Again no dividend will be year end current assets were placed (£7.72m) and current liabilities £3.16m (£7.35m).

The short of the continue to increase.

Again no dividend will be year end current assets were placed the existing book value of the short of the listed building. 12 Austin Friars, and schieved a successful letting to Commercial for the short of the short of the property has been let to a current year to be important of undoubted covenant.

The chairman ages that much of the manufacturer is the property has been let to a current year to be important of undoubted covenant.

The chairman ages that much of the manufacturer is the property has been let to a current assets were placed in the property has been let to a current assets were placed in the property has been let to a current assets were placed in the property has been let to a current assets were placed in the property has been let to a current assets were placed in the property has been let to a current assets were placed in the first of the property has been let to a curr

CORK GAS PAYS

An unchanged interim dividend of 2.2779 net per £1 there has been declared by Cork Gas Co.
Last year a final dividend of 2.925p was gold on record profits of £2.67m.

by increased emplency both by increased emplement by increased e

\$2744
\$2988
\$3238
\$3328
\$53238
\$53483
\$53730
\$63978
\$54225
\$54720
\$64967
\$55214
\$54967
\$55214
\$56699
\$6946
\$7133
\$56699
\$6946
\$7133
\$586946
\$7133
\$586946
\$7133
\$586946
\$7133
\$586946
\$7133
\$586946
\$7133
\$66946
\$7133
\$66946
\$7133
\$66946
\$7133
\$7688
\$7710
\$66946
\$7133
\$7688
\$7710
\$7688
\$7710
\$7688
\$7710
\$7688
\$7710
\$7686
\$7697
\$7724
\$7677
\$7724
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7770
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724
\$7727
\$7724

52/90
53/32
53/32
53/32
53/32
53/32
53/32
53/32
53/32
53/32
53/32
54/027
54/27
54/56
55/52
55/52
55/56
55/56
55/56
55/56
55/56
55/56
55/56
55/56
55/56
55/56
56/56
56/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56
66/56



Burt Boulton outlook

Burt Boutton Holdings does not products has decreased and road took encouraging. Mr. B. works, in the south, have been kilpatrick, the chalrman, says, difficult to complete. Recently Competition for the smaller total there has been an improvement market is keen and great efforts and it is hoped to regain most will be needed to maintain the of the lost ground.

As previously reported taxable

contributions.

The vagaries of the English at balance date net current climate in the first part of the assets were £3.28m (£1.98m). The surface dressing season but by increased efficiency both by the local authorities and group subsidiaries the programmes should be supported to the surface dressing season but the first part of the assets were £3.28m (£1.98m). In a letter to Sir Peter Meeting, Brettenham Rouse, but the local authorities and group subsidiaries the programmes should be supported to the surface of the surface and group subsidiaries the programmes are being developed.

At balance date net current tive transport spokesman and MP for Sutton Coldfield, declared yesterday.

In a letter to Sir Peter Parker, British Rail's chairman, 1 Mr. Fowler said the five full leave the surface of the programmes are being developed.

At balance date net current tive transport spokesman and MP for Sutton Coldfield, declared yesterday.

In a letter to Sir Peter Mr. Fowler said the five full leave the surface of the surface are being developed.

Mr. Fowler said the five full leave to the surface are being developed.

At balance date net current tive transport spokesman and MP for Sutton Coldfield, declared yesterday.

In a letter to Sir Peter Mr. Fowler said the five full leave to the five full leave to the surface are being developed.

Mr. Fowler said the five full leave to the surface are the surface are

not encouraging

owing to the success of positive presensitised litho place, which THE CURRENT financial year at result that the sale of bituminous first went to customers in Sep-Burt Boulton Holdings does not product has decreased and road

BIDS AND DEALS

ELLIS & EVERARD FAMILIES NOW

After 130 years dose association, the Ellis and Everard to spill up. Mr. A. N. Ellis is resigning from the Ellis and Everard boad and has been offered a neeting at the action of the spill up. Mr. A. N. Ellis is resigning from the Ellis and Everard boad and has been offered a neeting at the action of the actio and Everard board and has been offered a position on the board of Travis and Artiold, the timber group which is taking over Ellis and Everard's building supplies operations in I deal worth £3.58m.

Resigning with Mr. Ellis from the board is Mr. D. A. Billson, who has been offered, a post as senior executive with Travis and Arnold, both have been associated with E and E's building supplies division.

The details are revealed in the letter to shareholders regarding he builders merchanting opera-

u. A. J. Brerard, chairman of Eills and Everard, explains that the disposal has been caused by he high costs of maintaining a large branch network at a time when conditions have been dull in the construction industry. With in the construction industry. With increased competition margins have been eroded in a time of low ales 'and the building supplies livision has not produced satisfactory profits since 1974, despite the tower of some branches."

A pro forma brance sheet shows that following the ale 'axed assets at the year ending April 30, 1978 drop from 25.37m o 25.63m, while current assets fall

april 30. 1878 drop from 23.37m o 23.63m, while current assets full am to 23.66m. Current liabilities, on the other hand, fall to 80 per cent—from 25.89m to 23.55m. Bank overdrafts of 11.67m are eliminated.

ASSOCIATE DEALS

J. Henry Schroder Wagg and
o. on August 10 on behalf of
esociates purchased £10,000 associates purchased £10.000 Rowater 7 her cent convershie stock at 90 per cent. 31,000 Howater her cent convertine stock at 90 per cent. 31,000 Imnerial Group ordinary at 213p, 20,286 Rowater ordinary at 213p, 20,286 Rowater ordinary at 213p, and £30,000 Imperial Group 8 per cent convertible stock at 10; per cent. The company also sold on behalf of assuciates £24,200 Imperial Group 8 per cent convertible stock at 77; per cent and 11,000 J B Eastwood ordinary at 1431p.

Breathing space plan for problen companies

culties should be able to apply vacuum, culties should be able to apply vacuum. The committee proposed to to court for a legal moratorium. the accounting profession has where instant action was ne

cases where arrangements were in hand to provide additional capital, for the sale of ussets or where reconstruction was planwhere reconstruction was plan-

ned.

The court should accept the application only where it was satisfied that this was in the general interests of the company, creditors and employees.

The conditions of the order the granted automatically with the conditions of the order the granted automatically with the conditions of the order the granted automatically with the conditions of the order the granted automatically with the conditions of the order the granted automatically with the conditions of the order than the court of the conditions of the order than the court of the conditions of the condit The conditions of the order should be stringent and avail- formal hearing. The hearing able only where the company petitions for compulsory liqu could demonstrate reasonable tions should be heard as vaca: chances of recovery.

COMPANIES IN financial diffi-often caused a danger

the accounting profession has the accounting profession has proposed.

In a submission to the Cork committee on insolvency law, the consultative committee of accountancy bodies said there was need for a moratorium in where arrangements were without appointment at a hard wentlook appointment are apply to court for the immediation was negative.

business to avoid delays.

The accountants propose

Other recommendations were aimed at speeding up the initial stages of a liquidation. The accountants said that the time taken to appoint a liquidator meeting of creditors.

Share prices forecast at peak this year

sumer spending should take Charterhouse says it anticip.
company profits growth and shower rate of growth in share prices to peak levels by the output over the next to the peak levels by the end of this year, according to the latest issue of Business Fore-cast, the quarterly economic review published by the Charter-

while a further rise in unemp ment is forecast.

The Retail Price Index house Group.

Charterhouse warns that a of increase later this year general election could affect the annual inflation rate will a market sentiment and investors rise to double figures, it says should soon be prepared to take further decline in price inflat profits from equity investments. levels can also be expected.

BR 'paying Labour and Liberak'

to Labour and Laberal Party ship.

political funds by advertising in Mr. Fowler said a full-p
their official newspapers while advertisement in Labour Wee

In a letter to Sir Peter for research

Parker, British Rail's chairman, THE HAYWARD Foundat
Mr. Fowler said the five full-page has allocated a further £100%
advertisements involved "subto the University of Birmingh
stantial financial support" to the endow a lectureship in I the parties that until recently engineering in the sub-den-formed the Government coall-ment of gertatric medic tion. He asked Sir Peter for a headed by Professor Bern statement on "these contribu-Isaacs.
tions to party political funds." This brings the Foundath
and added that the decision was gifts to the University to

£100,000 gift

U.S.\$25.000,000

The Tokai Bank, Ltd.

Negotiable Floating Rate U.S. Dollar Certificates of Deposit Series F Maturity date 17 August, 1981



In accordance with the provisions of the Certificates of Deposit notice is hereby given that for the initial six month period from 14 August 1978 to 14 February 1979 the Certificates will carry an Interest Rate of 85% per annum.

Manager & Agent Bank Merrill Lynch International Bank Limited London

LOCAL AUTHORITY BOND TABLE

Authority (telephone number in parentheses)	eros.	Interest payable	Minimum sum	Life i
Barnsley Metro. (0226 203232) Knowsley (051 348 6555) Poole (02013 5151) Poole (02013 5151) Redbridge (01-478 5020) Thurrock (0375 5122) Thurrock (0375 5122)	111 102 111 114	i-year i-year i-year i-year i-year i-year	250 1 000 500 500 200 200 300 300	Yes 5.7 8 5.7 8 5.7

To the Holders of Common Shares of

Weyerhaeuser Company

Weyerhaeuser Company is offering to purchase up to 3,500,000 of its Common Shares at \$32 net per share in cash, on the terms and conditions set forth in the Offer to Purchase dated August 9, 1978, and the related Letter of Transmittal. The offer is not conditioned upon any minimum number of shares being tendered, and the Company is obligated to purchase all Common Shares validly tendered up to 3,500,000 shares. The offer will expire on August 22, 1978, unless extended. Morgan Stanley & Co. Incorporated will act as Dealer Manager for the Company in connection with the offer. As provided in the Offer to Purchase, the offer will only be accepted in the United States. Holders of Common Shares of the Company may obtain copies of the Offer to Purchase and other documents from certain banks and other financial institutions in London and other major financial centers or from Morgan Stanley International, 1. Undershaft, Leadenhall Street, London, England EC3P 3HB (Telephone: (01) 636-9221) or 4, Place de la Concorde, 75008 Paris, France (Telephone: 266 03-19).

WEYERHAEUSER COMPANY

36315 41053 41255 41455 05475 33795 41176 41375 35595 39955 41135 41395 35675 49735 41215 41415 26795 41935 37565 47075 41275 41475 36715 41195 41336 41435 60535

69772

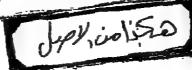
On 15th September, 1978 there will become due and payable upon each bond, drawn for redemption the principal amount thereof, together with accrued interest to said data at the

Interest will coase to accrue on the bonds called for redemption on and after 15th September, 1973 and bonds so presented for payment must have attached all coupons maturing

S. G. WARBURG & CO. LTD., 30 Gresham Street, London, EC2P 2EB

30, Gresham Street, Landon, EC2P 2EB.

or one of the other paying agents named on the bonds.



S Sparending dividends

The dates when some of the more important company dividend tatements may be expected in the next few weeks are given in the ollowing table. Dates shown are those of last year's announcements. scept where the forthcoming board meetings (indicated fibus) ave been officially published. It should be emphasised that the ividends to be declared will not necessarily be at the amounts or ites per cent shown in the column headed "Announcement last Preliminary profit figures usually accompany final dividend nnouncements.

	Announce-		Announce:
Date		. Date	Watt Des
Uhright and	year	London UttAug. 30	year int. 2.163
Wilson Aug. 17	. Int. 2	LourhoAug 24	Int. 2.33
thein am		Matthews	100 240
Corpn. SA., Sept. 13	Final due	Wrightson , Sept. 2	Tot. 3.2197
Sept. Dairies Aug. 25	Pinel 0.4328	Menzies (J.) Sept 20	Int. 2 377
indeach &	7_4 0 969	"Metal Closures Sept. 4	Int. 1.7
wilcox, Sept. 18	Test & dall	MixconcreteSept. 1	Int. 1,2759
ariow Rnd. Gp. Sept. 19	Finals due .	Morgan	
tell (A.) Sept. 21	Final 4.41692	Crucible, Sept. 7	INC 3.972 .
Vistabell Seed, 13	lat 3.605R1	Man "Aug. 15.	.Tnt. 9.902
HackwoodSept. 6	Int. 2.25	Ocean Transect And St.	Int. 3.9607
	-Int. 0.9677 fest.	Phoenix Assce _Sept. 7	Inc. C578.
The Circle Aug. 25	TOT DODGE TOTAL	ייייייי מסוזגומתניבי	-
Sheling	. AM. 2.88	Prov. Financi. Sept. 21- Prov. Financi. Sept. 6 Pre Hidgs Aug. 13	Int. 2,1785
fcConnell Sept. 15	Int. 3.5	Prov. FinanciScpt. 6	Int, 1.6125
Sept. 11	Int 4	Reckitt 4	112. 1.225
ET Sept. 4	F10al 3.828,	Colman Sept. 13	Int 4.66
Petrojeum Seut. ?	T 0 001	Revertex Sept. 13	Int 4.66 Int. 1.76
ridonSept. 14	lut. 6.981 Int. 2.3.	DT7 : C 44	Int. 3.5
Tilish Vita Sept. 15	Int. 1.04	Rockware Sent. 21	int. L985
15tt	Int. 1.2653	Rolls-Royce	Sec. 10.
ITR Sept. 16	Int. 4.62	Motors Sept. 13	IN. 1.84
adbury Sohwannes Sant B	المراجعة المراجعة	, Mackimosh., Sept. 21	Inc. 2.75
Schweppes Sept. 8 arpels Ltt Sept. 7	Int. 6.95	Royal Dutch	
	Int. 0.8	Petroleum., Aug. 17	Lat. P15.00
ostatu (R.)Sept. 6	Final 0.0246	*Royal Insee: Aug. 17 Schroders Sept. 15	Int 6-512
ostain (R.) Sept. 6 roda Int Sept. 15	Int. 6.983	Schroderssept_15	Int. 8
e Buery Cord. Aug. 22	Final 6.4376 Int. 17# cents	Porbes Aug. 25	Int. 3.5
coraSept. 5	Final 7.65332	*Shell	
RG Sept. 20	Int. 2,353	Transport. Aug. 17	Int. 8.833
asie Sier Sept 21	Int. S	Simon Eng. Sept. 19. Siouch Estates Aug. 30	Int. 0.75 · :
intopean Farries:Sept. 12	Int. 1	Figure 2000	4444
mpanded		Nephew_Aug. 19 Steetley Sept. 14	Int. 0.791
Mctal Sept. 18	Int. L.626	Steefley Sept. 14	Int_ 1.485
uardian Royal ExchangeSept. &	*** 4 Amel	Stone Platt Sept. 15	Int. 2.284
RN Sept. 16	Int. 4.236 Int. 4.044	"Sun Alliance" Sept. 6 Tarmac Sept. 18	Int. 18
mnness Peat. Sept. 2	Final 6.452	Tilling (Thou.) Sept. 14	
al) Eng's Sept. 15	Int. 3.218	"Transpt. Dev Aug. 17	Int. 1.125
epwarth -		Tricentrol, Sept. 19	Int: 8-88
CeramicScot. 7	Int. 1.55	Tube Investants, Aug. 16	INC 8-838
Shanghal Bk Aug., 22	Int. HK90.18	Turner and NewsE. Sept. 13	Test 4
se. of FraserAug. 19	IDL 1:68934	Union Corpu.	The same
gwden (Alex), Sept. 1	lot. 1,8	Group Sept. 1	Pinisi dive de
Journ ConsSept. 7	Int. 9 Final 1.30 cents	Ord. Blacutta. Sept. 19:	
imsn. & Pirth Sept. 18		Wadkin Sept. 29	Int. 1.875
Jeinwort -		Wagon Finance, Sept. 5	
Bernon, Sept. 98		Goldsmith Sept. 14	Final 1.73591
adbrokeAug. 31	IDL 3	WALL CLOUD """"THE" SE	TOL LEDY ~
gru Graup sept. J	Int. 1,65	"Wanisman th	
gird GroupSept. 3 god InvestorsSept. 1 sporte IndsSept. 31 sw LandSept. 31	Int. 2.704	(F. W.) Ang. 16	Int. 1.22
aw Land Sept. 20	Tot. 0.8	Youghai Carpets, Hept. 9	Test 10 MARK
Line timelle billing for the Post	and have recognize		
	lnt, 1,386	* Board meetings infim	ated. † Idel
on Merchant SectSept. 3	Mant A bes	Board meetings infim issue since made, 2 Tax issue since made from to	1760k - 5C
otramiecht, a	L411ET 0-910	mend filter midd tigill L	MINTER
		* * * * * * * * * * * * * * * * * * * *	100

RECENT ISSUES

#ecas

\$ \$ 12 GB 6

ger (re:	Amande Patri Up	Latent Regame. Date	High	I.ow	âtesk.	Olosing	+-	Div. P. damonul	Covered	Me M	1
5	F.P. F.P. F.P.	51/8 6/7 24/8 8/9	81 1054 162 95 148	14B 83	Castern Superior Super Kurnherm Hunting Pets, Ne Jones (R.) (Jew'it	181 181	+8	\$42.47 \$2.64 4.65 \$6.5	5.1 5.0 5.0 2.1	4.6 9.2 7.6 8.5	7. 7. 8.
		_							. 3		٠.

FIXED INTEREST STOCKS

ۇ	2.7	F # 6	21	76	BACHE 22 (A)		
4	1	- 4.	High	Low		97	7
9.4	E P.	1/8 16/8 15/12 15/9 15/9 16.8 25.8 89/9 16/12 15/9	High 9412 p 9412 p 9814 1034	1012 86 96 96 1012 88 96 1012 88 96 1012 88 96 1012 88 96 1012 88 96 1012 88 96 1012 88 96 1012 88 96 1012 88 96 1012 88 1012 86 1010 86 1010 86 10 8 10 10 10 10 10 10 10 10 10 10 10 10 10	Central & abserved 10g Pref. Crosby Spring Interiors 10g Pref. isot Angua Water vg Hett Pref. 1988. Sceledart'al Ins.Office 10g Radford Onn Pref. Scriburgh Var. State 1983. Farrerew Stept. 15.85g Deb. G. R. Holdings 10g Pref. Hennerson Kenton 10g Lum. Pref. Hennerson Kenton 10g Lum. Pref. Martiy tol 15g Pref. Martiy tol 15g Pref. Mode of French 10g 2nd Cum. Pref. Scribanty Day Rate Hed. 1983. Preface 10g Pref. Resonthay Var. Rate Hed. 1983.	961- 961- 961- 961- 100- 115- 961- 961- 961- 961- 961- 961- 961- 961	# 1
비니	P.P. P.P. 245	15/9 20 10	97 100 443 ₄	3616 4914	Sothern Parks Bernet 95 Com. Pref	9512 9912 4412	
814 814 814		20 10 15/9	4434 3419 2019	46 994 24	Wandsworth Variable 1955		
	· ·			-	N. 4.	- 1	

"RIGHTS" OFFERS

WP INC	1 m	De De		74	10		Price	+ 01
	-52	ຄື	a	Augh	Low		Pi Pi	_
e le	No.	18/7 26-7 26-7 2-8 4-8 10-8 3-8	18/8 16/8 16/8 1/9 1/9 21/9 1/9 4/10 6/9	49 49	17pm 311x 1612 161c 45 101cm 55 154	Blackwood Hodge House Tool hing Baranouth Java. Blavies Hopper Hearlan Sima & Coppins LC.7 Norton (W. M.) Sorton (W. M.) Subjectly Parineval pr. Subjectly Parineval pr. Subjectly Williams of the State	57 95 91 46 16pm 69	+19
of the same of the	m prebased rr officers in the state of the s	spectures on pre- coal est on of a Plagin Plagin distriction with re- referen	s estinavious : timate: harvs i sprice red fr ation. Organico bol	rate, year's for the to p doubt the sallon ders.	g Assured to the country of the coun	ry for dealing free of stamp duty, and dividend and yield. It Forecasts. It Dividend and yield based on a Gross. "Figure's assumed. It dies tor dividend or ranking only for IT Fence unless otherwise indicated ordinary shares as a right." It continues process of the production. It is a take-over. If introduction, forment letters for fully-paid). It warrants.	t divid prospover al restr l lis lisson lisson	lend: ectus ilows icted stued stued stued in in

	BASE LEND		•
	BASE LEND		Hill Samuel \$10 °C. Hoare & Co. \$11 °C. Hongkong & Shanghai 10 °C. Hongkong & Shanghai 10 °C. Keyser Ullmann \$10 °C. Keyser Ullmann \$10 °C. Lidyds Bank \$10 °C. Lidydd Bank \$10 °C. Lidydd Bank \$10 °C. Lidydd Bank \$11 °C. Lidyd Bank
	Corinthian Securities 10 % Credit Lyonnals 10 % The Cyprus Popular Bk 10 % Duncan Lawrie 10 %		United Bank of Kuwait 10 % Whiteaway Laiglaw 101% Williams & Glyn's 10 % Yorkshire Bank 10 %
	Eagil Trust	•	Members of the Accepting Houses Committee. 7-Any deposits T%, 7-month deposits 78%
!	Greyhound Guaranty 10 % Grindlays Bank	ż	2-day deposits on gures of £18.000 and under 64%, up to £25.000 73% and over £25.000 83%. Call deposits over £1,800 7%.
į	Hambros Bank 10 %	ě	Demand deposits 75%.

Tax-free trading on commodity futures.

The commodity futures market for the smaller investor.

G. Index Limited 01-351 3466 amont Road, London SW10 0HS. One month Gold 212.0-213.5

Brazil's foreign debt to reach '\$40bn by year-end'

BRAZIL'S foreign debt will surprise international bankers.
reach a record \$40bn by the end It represent an increase of 25

of 1978. Mr. Mario Henrique per cent from the \$32bn of end-banks. It has gone substantially Simonsen, the Finance Minister, 1977, and broadly maintains the to finance large-scale projects, said here, reports AP-DJ. average rate of expansion seen many of which are aimed at But, Mr. Simonsen said, the over 1976 and 1977, when there increasing exports or cutting

borrowing from international banks. It has gone substantially

Dealers protest over sales of Mercedes cars to workers

BY GUY HAWTIN

DAMLER, BENZ, the West another person right outside the council which represents the showroom door. There is very employees interests.

Damler, is under attack from its indepreciation on a new No, only is the management that the provided considerable that the provided constitution of the properties of the customers have to wait for up substantial amount over and to four years for delivery of the smaller Mercedes models, while the group's workers are able to buy their at 12-monthly, interested to make a strength of about 2 per cent discount, and provided the group's total production, allowed to Damler-Bens to the group's total production, allowed to Damler-Bens to the concern of the employees has mounted as the deliver-some 25 per cent of the concern of the employees has mounted as the deliver-some 25 per cent of the employees has mounted as the concern of the employees has mounted as the employees the production, and agreement exchange with measures to alleviate the attuation of the group's total production, and agreement exchanged the process of the production, and the concern of the employees discounts.

Bifterness over the facilities of the group's total production, and greened about to the concern of the employees has mounted as the employees are robbing them of somewhat higher, sithough this after owning them of 12 months, at a handsome profit.

It is difficult to see wheek this form the process of the face of the order of the face.

Alternative manuface sheet were and interpreted to make a particle im most over and to be producted as the constant of the process of the production of the concern of the employees are robbing them of 12 months, at a handsome profit.

It is difficult to see where the production of the face there is very manuface to the production of the concern of the conc

at a handsome profit.

at a handsome profit.

It is difficult to see what monthly cycle.

Already there is a form of Daimler-Benz can do in the face. The group was able to do little ports and lafe entry into the "black market" in Mercedes of the criticism. The question of to change the rules for longer radial tyre market. The group cars, in that an owner who takes sales to employees is decided in established workers without delivery of a new model can sell negotiations between the group's changing the conditions of emitted the co

A sterling performance

One month & p.s. Three months & p.s.

Public Works Loan Board rates

THE POUND SPOT FORWARD AGAINST £

| Tiq 1.9555 | 1.980 | 1.9865 | 1.985 | 0.80 | 50e.pm | 2.98 | 1.55 | 1.43c.pm | 2.2145 | 2.2565 | 2.2565 | 2.2565 | 0.60 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50 | 0.50

Currency, Money and Gold Markets

HCA to expand in Australia

By James Forth

SYDNEY, August 13. THE WORLD'S largest hospital management group, Hospital Corporation of America (HCA) plans to spend AS45m (\$52.3m)

Stop in December.

The foreign debt now stands already achieved this year has described an about \$37bn, according to taken place in spite of the Monetary Fund has authorized a private hospital at about \$37bn, according to taken place in spite of the Monetary Fund has authorized a country has \$8.8bn in foreign \$8.8bn

be provided by a syndicated medium term credit facility. Mr. White told a Press confer-

ence in Sydney, that the group' long range projections for 1982 indicated 10 hospitals with around 1,280 beds throughout Australia with emphasis on the eastern states;

caused problems and a quick succession of increases in Treasury bill rates and bond paper has given a clearer indication of support the franc through interest

				the authorities determin	ation to An
ek C		from a general lack of confidence. The latter has rendered it vulner-			hat
÷	mount a streight forward affair	shie to any of the numerous	election and bolitically sensitive	GOLD	rea
ij1					the
	amountion . 4: helpf plants would	hawayar N-fmindad. It would also	ACOU GEST OF SITEVILLOU TLOM LUG	Aug. 11	Aug. 10 Sta
Ŋ	show the golfsi continuing to sag	show, not surprisingly, a majority	Softwarines oast me next month	Table Halland or Ann	ing
100	under the weight of U.S. economic	of the stronger currencies gaining	Interest rates still remain artifi-	Gold Bullion to fine	erü
er.	broplems and mote significantly	large chunks at the dollar's	clally high with MLR at 10 per	Clora	2071-208 sce
		expense.	cent and an annual rate of infla-	Orening	2051 2004 Part
	CURRENCY RATES		tion nearer half that figure. How-		205.85 £1(5.764) H.81
man ,		however, or at least has appeared	ever it seems likely that last	Alterpoon figur \$217.75	1208.60 DJE
	Special European	to be performing in a different	week's money supply figures will	(£107.858) (#105,818: U.SB
	Angust 12 Drawing Unit of	manner compared to say the 2mile	only delay by two or three weeks	domestically	the
e41	Rights Account	franc or the West German mark. The authorities are faced with	ANY TRIL IN MILK.	Krugerrand \$217-219	2152-2152 fan
-	Sterling 0.657263 0.666679		While the stronger currencies	(A: 111-142) [ti	109, 1104, and
	U.S. dollar 1.27902 1.30528	The same of the sa	continue to appreciate, the		tarah Mir
	Canadian dellar L45322 1,47929			Old Sovereigns Sh9: 601 (\$684-604)] ₅₈ 8
	Austrian schilling 18.1597 18.5199 Beigian Franc 39.6590 49.5030	alarming, did show a noticeable	snoke " Over a one week period	Contains the same of the same	260-411 Car
194	Canish Front 6.95083 7.09862	rise in eligible liabilities, and it	the Balgian Matianal Rank add	Internationally	. }
	Deutsche Mark 2.51943 2.56969 Cultiday 2.73263 2.78866	totions tust a coucerted short by	been oblined to provide some	Manager Table	2152-2152
	Guider 2.73263 2.78866 French franc 5.52281 5.60731	the annibures to sell steinuk in	FT 10,243hn fiz support of its		£ 1034-11041 IN
	Lira - 1861.91 1883.99		currency which has been trading	.1.30-a11	230-31)
	Yen 122,731 Nurvegian krone 6,64787 1722	stability would lead to an un-	on or around its lower interven-	Old Sovereigne \$59.61 8	564-804
-	Pesent	wanter illuriz or money luft the:	Hon noint sosingt the West	3. E c D-31 1 23	230-31) 1292-2:4
	SWECHED BYCOLD 1.638/90 3.79833	Statent	German mark for some time. 'I'le	\$10 Eurie	146-150
	Swint frame 2.12337 2.16275	Not that this problem is con-	D-mark's rapid appreciation has		105g-10Pg
			4.6		

One weath	%	Three menths	-
Gre month	. p-4.	COLAS INCHES	P-4
0.05-0.0% dia	-0 EX	6.13.0 00c die	-8.4
0.54-0.46c pm			1.7
0.83cdip-0.01cp			
fright different character	CI - 2:34	Dritte (Brazer	21 - 8-3
0.59-0.84pf pm	4 64	2.53-2.47e/ pm	4.5
	164 340	white-grands hall	-
3.05-3.45f tredis	-4 55	B BE 10 SOlland	
3/40-3/434 IL 69(8		7-00-10 mm iii @g	
pay-0.18c dis	-0.93	h Shill The elle	
PER-12200 0111	-6110		-
3.05-3.45fredia par-8.18c dia 1.25-1.18y pm	7.59	3.25-3.28v pm	. 64
1.15-1.18c pm	7.59	3.22-3.17c pm	7.4
	,		

THE DOLLAR-SPOT

. ∆ug. 1!	<u> </u>		. 6		Note Hates
Argentina Pewin an	1,590	1,594	809.57-811.61	1U-L-II	87.30-28.30
Australia Dollar	1.6870	1.6920	0.8601-0.8612	Beignom	621e-631e
Tiniand Maskin	8.0150	8 0300	4.0865 4.0885	Denmark	10.50-10.6
tazii Cruzeim			15.09 15.59	France	
reece Dracoms	69.92	3-71.645	35.60-56 48	in in it is in the second	3 00 3.90
tong Kong Ladiar.	9.24	9.27	4.7080 4.7100		1595 1625
ran Khal	· 125	141	68 73 71.79	Japan	362 372
inwan Dingrak (b)	0.527	0.587	0.2683-0.2734	Setherland.	4.13-4.23
axembours Franc	-60.90	61.00		Jun 16 M San Market	10.10-10.20
Isuven Dollar			2.2930-4.2950	I'ntluga	62-89
ew Lealand Dollar	1.8415	1.c486	0.9389-0.9416	*pain	144-1471
and Amba Rival.				witzerland	8.23 3.43
meapore Dollar	4.481	4.401		Cinited States	
onth Atrican Rated	1.6935	.1 2195	0 HERR 0 H' 55	I UZC-IRAIR	47 57.40

Rate given for Argentina is free rate.

FYCHANCE COORS DATES

PAYMANIGE	CUC22-UN									
**************************************	Pound Sterling	U.S. Draint	Deutschellers	Зарапезе Уел	French Franc	SWIP FRANK	Duten Gumler	lines Lin	Lens III Denne	Du-Julii Fran
Pound Sterling U.S. Dollar	1. 0.509	1.964	3,868 1,969	364.5 185.6	8.418 4.286	3.238 1.647	4.198 2.137	1627. 826.4	2.230 1,135	60.95 31.03
lapanese Yen 1,000	0.259 2.743	0.508 6.588	10.61	94.25 1000.	2.176 23.09	0.838 8.87 5	1.085 11.52	420.7 4464.	0.577 6.118	15.76 167.2
French Franc 16 Swiss Franc	1.188 0.369	2.333 0.607	4.595 1.198	433.0 112.7.	10, 2.502	3.84 3 . 1.:	4.987 1.298	1933. 602.9	2,649 0.689	72,41 18.84
Dutch Guilder Italian 14m 1,00:	0.238 0.615	0.468 1.207	. 0.921 2.377	86.84 224.0	2.005 5.174	0.771° 1.988	1. 2.580	\$87.5 1000,	0,531	14.52 37.46
canadian Dollar relatan Pranc 100	0,448 1,641	0.881 3.232	1.734 5.345	163,5 598.0	3.775 13.81	1,451 5.308	1.882	729.6 2669.	3.659	27.35 100.

MBREY RATES	
NEW YORK	
Prime Rate Fed Funds Treasury Blifs (13-week) Treasury Blifs (28-week)	
GERMANY-:	
Discount Rate	3.3
FRANCE	

JAPAN

LONDON MONEY RATES

3	Aug. 11 1s/fc	Alering Certificate of deposits	interbank	Authority deposits	aegotable bonds	Finance House Deposits	Company Deposits	market deposit	Treasury Bills &	Eligibie Bank Blits o	PineTra Billi o
	Overnight 2 days notice. 7 days or 7 days notice. Our month. Two months. Six months. Six months. Une year	914 914 914 914 914 914 914 914	9-11 	91 ₂ 93 ₆ 92 ₆ 97 ₈ 93 ₆ -91 ₂ 97 ₈ -10 105 ₆ -103 ₄	10 914-919 914-919 6:8 914-919 6:8	10 10 10 10 10 10 10	10 10 97g 93g	834-10 814-916 914-916 9	84.878 874.878 874.878		101s 101s 101s 1034
	_					L =					

MINING NOTEBOOK

Golden dividends and down-under diamonds

of 165 cents (96.7p) compared of Australia. Not that this is entirely an insurance against wild a relatively low level following asm for the shares of the junior completion of the new reduction works which will also treat ore from the new Unisel gold mine, fees from which should start to accrue to Sr. Helena next year.

The shares are not without some medium-ferm pitractions although St. Helena was not although St. Helena was not among the "buy" recommendations in a number of recent brokers' circulars. The best verdict was that they are worth brokers' circulars. The best verdict was that they are worth retention by shareholders.

Western Holdings is now very much in the waning stage of its career—a fact which should be borne in mind when looking at yield considerations. The remaining life is generally put at around.

from this source will be small compared with that from Western Holdings' gold operations. The 50 per cent stake in Freddies Consolidated has been sold to Free State Geduid, in which Western Holdings resultantly has a chambelding a resultantly has shareholding to add to a port-olio which also includes St. delens, Southysai and the longdormant Jeannette.

dormant Jeannette.

This raises the intriguing possibility that the end of its mining days might not see the end of western Holdings likelf, which coming such a significant particular to the formula in the formula Australian western Holdings Itself, which coming su pont in to another role within the vast exploration another by the series of Anglo American empire. So perhaps brokers Williams de Broe may indee have more than medium-term may indee mercial quities advocate a switch from Free at Ashton. State Geduid into Western Hold-

CONTINUING last Monday's sur- of furthering the mining vey of autumn dividend prospects industry's eternal struggle for the South African gold pro- against bureaucratic restrictions ducers we come to St. Helena. on its natural growth.

seer, and were expected to reach price rises.

100 in December.

The increase in reserves of the stands already achieved this year has a dout \$370 n. according to Government sources, and the realising of a trade deficit of \$71 no month in the six months to June offset the country decline in which has disappointed hopes export earnings.

Government officials, said that that the country would record a Brazil would have to pay some further trade surplus, or at least stom in foreign ion repayments.

The increase in reserves of the Monetary Fund has authorized a private hospital at Daminous Hills, a Sydney subtre, for about Hills, a Sydney subtre, for about ASIm. The managing director of the Australian company, Mr. William G. White, said there were plans to acquire five more in great in 1979.

The increase in reserves of the monetary Fund has authorized a private hospital at Daminous Hills, a Sydney subtre, for about Hills, a Sydney subtre, for about ASIm. The managing director of the Australian company, Mr. William G. White, said there were plans to acquire five more bospitals before the end of the year.

Stom in foreign loan repayments in 1979.

The increase in reserves of the surplus of subtrements a private hospital at Daminous Hills, a Sydney subtre, for about ASIm. The managing director of the Australian company, Mr. William G. White, said there were plans to acquire five more bospitals before the end of the year.

Stom in foreign loan repayments a balance in trade, for the whole from the 1975-76 distribution of prospects. The interim was lifted from the 1975-78 distribution prospects. The interim was lifted from the 1975-8 distribution of the Stom and the dividend rate has been thought of the whole said the export earnings last year, mainly were plans to acquire five more bospitals before the end of the year.

In addition, the company plans to construct further hospitals in an expansion programme which an expansion programme which an expansion programme which an expansion programme which an expansion programm

slasm for its shares is based on the tenuous theory that it could be a vehicle for the required "Australianisation" of the project.

If MMC did come up with a flotation it would be of interest to Charter Consolidated, which is at present involved only in-directly in the down-under diamond play through its 98.6 per cent of MMC and 25.8 per cent of

pant in the feverish Australian exploration rush is doing much to faster the beltef that diamonds may indeed be present in commercial quantities and not only

A bright light that:led many a Tasminex was a strong market usade in the Australian mining on Friday at 135p. As previously the recogning reliable to the reliable to the recogning reliable to the reliable rusade in the Australian mining on Friday at 135p. As previously center has been dimmed. The reported here, this notorious reliabilitient iron ore megnate Lang from the past has attained prostancock has closed his lively fortperity and respectability through lightly the National Miner. I a wolfram mine in Tasmania and set he word dimmed, because has even paid a dividend. The he paper has been sold to the latest news is that drilling to infamily interests of Sir Asher Joel crease the ore-bearing area is not has resultantly been incorporated in Queensland's The the big Canadian group McIntyre liner which is printed at Mount Mines is sufficiently confident to sa and will, it is to be hoped, be entering on the second stage arry on the Hapcock tradition

NSURANCE

June fire damage up £3.5m on May

BY OUR INSURANCE CORRESPONDENT

BY OUR INSURANCE CORRESPONDENT

WITH the pace of inflation temporarily at least slower, the fire insurance market must have been hoping if not expecting and supporting groups will be on hoping if not expecting that the country's monthly fire damage bill would show some signs of stabilising if only for a short while. But the British Insurance Association's monthly assessment of fire damage in Great Britain (excluding Northern Ireland) shows that June's likely bill will amount to £25.9m. £3.5m up on May which itself was £2.7m up on April. The association's total estimate for the half-year amounts to £146.7m and this taken with the £147.3m of the second six months of last year pushes the moving annual total is now £60.5m up on the cost of the £300m mark.

Without correction for inflation, this moving annual total is now £60.5m up on the cost of the similar period in the 12 months 1966-67. But one has to remember that at the end of last year we had a firemen's strike and that the extent of fire damage sustained last winter therefore was abnormal. Again, without taking into account inflation a comparison of the months fire precautions, starting on the partion.

into account inflation 3 com-residential course on structural parison of the months fire precautions, starting on November to January 1977-78 November 20, will be held at with November to January 1976- Burwalls, the residential centre 177 shows that £65.2m extra fire at Bristol University.

However one juggles with with problems of existing buildthese figures at this stage, fire insurers must be hoping that the ments of new buildings as well a substantial improvement in inflationary and real terms.

It is against this worsening the course will be of interest not only to architects but surgauges. inflationary and real terms.

It is against this worsening background that fire insurers are reviewing last year's trading and making their predictions for the future, and determining whether. if any, there shall be rating changes: we shall not have so very long to wait to learn how the major fire offices view present events and future.

There are two other association.

trends.

There is no doubt, firemen's conferences coming along; a two-strike or not and whether infladay one at Easthourne on tion is in single or double September 19 and 20 will deal figures that fire wastage remains with training for fire safety, a national problem. The central security against arson, and fire liaison panel, which coordinates nationally the work one-day conference will be held on September 27 at Sutton Coldfire prevention and includes in field on fire prevention for the its councils fire officers, the Confederation of British Industry, on these conferences should be as well as insurers, is organisating a national fire safety week the association. Aldermary starting on October 30 with the House, Queen Street, ECA. There are two other association

EUROPE'S LEADING SPECIALIST AUCTION CO.

VICTORIA & CO.

PROUDLY ANNOUNCE THEIR NEXT BUCKINGHAM PALACE ROAD

PUBLIC AUCTION

ON SATURDAY 19th AUGUST AT 11 a.m.

If you have a fine vintage or classic car allow us to show it to over 2,000 prospective purchasers and realise its full value.

Hurry and consign today. We may still have a space for your car,

Cars already consigned include:

1936 V12 LAGONDA Saloon 1927 ROLLS-ROYCE 20 h.p. Tourer 1947 ARMSTRONG SIDDELEY

1956 JAGUAR XK140 Roadster 1961 MORGAN +4 Coupe

1956 ROLLS-ROYCE Silver Wraith Limousine

1967 ASTON MARTIN DB6 Volanti 1973 FERRARI DINO 246GT

1964 BENTLEY S111 Continental 1936 ALVIS Speed 25 Charlesworth

1957 BENTLEY S1 S/Steel

1964 ASTON MARTIN DB5

1933 VAUXHALL 24 h.p. Tourer 1938 ROLLS-ROYCE 25/30 by Mulliner

1948 DODGE 4Dr Sedan 1965 BENTLEY S111 Continental

1974 FERRARI Daytona

1948 DELAHAYE 135M Drophead

1965 TRIUMPH TR4A

1947 M.G. T.C. Concours condition 1958 JAGUAR XK150 Drophead

1961 ALVIS TD21 Drophead

1969 MERCEDES 280SL Roadster

1965 SUNBEAM TIGER V8 1963 AUSTIN HEALEY 3000

1960 CADILLAC Coupe De Ville

1962 ROLLS-ROYCE SCII 1977 ASTON MARTIN DBS V8

1957 AUSTIN HEALEY BM7

1972 JAGUAR V12 "E" Roadster

1950 ALVIS TB14 Tourer

1963 MERCEDES 220SE Drophead

1973 JAGUAR V12 " E " 2 + 2

1970 MARCOS 3 Litre 1961 DAIMLER Dart

1963 JAGUAR 3.8 " E " Type

1964 AUSTIN HEALEY 3000

1971 ROLLS ROYCE S/Shadow

1961 ASTON MARTIN DB4

1962 ROLLS-ROYCE SCII Drophead

PLUS OVER 200 FURTHER CARS EXPECTED

Prospective bidders must register prior to the auction and leave a refundable £100 deposit to obtain a bidder's card.

> ENTRY TO THE AUCTION WILL BE BY CATALOGUE ONLY

U.K. £4

OVERSEAS AIRMAIL £5

PLEASE CONTACT US FOR FURTHER INFORMATION 199 BUCKINGHAM PALACE ROAD, LONDON, S.W.1.

Telephone: 01-730 9438/9. Telex: 886838.

Cheyne Motors Ltd

633 CSi January 78 (S). Manual, Reseda metallic silver green, green leather, electric sunroof, tinted electric windows. Mahie alloy wheels, central locking, blue spot, stereo radio/stereo cassette plus auto electric aerial. Only 6,000 miles. Immaculate. £14.975.

Phone us for details of leasing the above and other fine used BMWs in stock.

Delivery on new BMWs on application,

Cheyne Motors Ltd 201-203 Upper Richmond Road Putney, Lendon SW15 Telephone 01-788 4314:7



A.F.N. Limited Falcon Works, 400 London Road, Islaworth, Middlesex. Telephone: 01-560 1011 Telex 261135.

Also showroom at: 12-16, Madrid Road, Guildford; Surrey. Telephone: Guildford (0483) 38448/9.

Conference? Seminar? Company Meeting? Reception? Film Preview? **Advertising Presentation?**

There's no need to hunt around the West End for a suitable venue or viewing theatre. The FT Cinema, here in the City, offers seating in comfort for 50+ people. Full 16mm film projection facilities. National Panasonic 1/2" colour video tape and Philips 1501M video cassette viewing. Electrosonic 3601 slide presentation system. And luxurious private dining rooms with extensive catering facilities.

FINANCIALTIMES CINEMA

All enquiries to: E. J. Dorrer, Cinema Manager, The Financial Times, Bracken House, 10 Cannon Street, London EC4P 4BY, Tel: 01-248 8000 (ext. 670).

Chipstead

are proud to announce their appointment as LOTUS MAIN DEALER

CHIPSTEAD of KENSINGTON 01-749 7387 CHIPSTEAD OF HAMPTON COURT 01-943 0971

Lotus HANDBUILTCARS

Mercedes-Benz Lear-CLOVER LEAF CARS 2400 W123 1877. Signal red. parch. cloth. man.. sas.. radio. 33.000 miles £6.995

33.000 miles 250 W123 1977(\$). Medium red. parch. Cloth, cruise control. E. windows. Irent tinted 9.300 £6.995 Telephone David Jacobs OD: AMI 00567:) 2094

CONFERENCES

SKINDLES Riverside Conference Room

(Suitable for between 12 to 150 persons) Now available fitted for audio and visua s. Individual Banks of Lighting Superb Riverside Restaurant

(Open 7 days a week) Pable d'hote lunch or dianer 25.58 a nead incl. VAT or choice A la Carté **Christmas Party**

Bookings Now being accepted. Accommodation for 300-700 persons

Smaller party inquiries also redcomed fel: Mr. Michaels or Mr. Hamshaw at London 91-439 7242 or Maldenhead 100251 23566. They will be delighted to quote and personally ensure the success of your function **BRINDLES HOTEL** (40 mins, from Landon) (15 mins, from Heathrow)

ART GALLERIES

TELDBOURNE GALLERIES. 63. Queen's Grove. St. John's Wood. 586 3500. LANDSCAPES DW ROYAI Academicans MARBLE Carrings. YOMA SASBURGH.

EXHIBITIONS

COMPANY NOTICE

CREDIT LYONNAIS **Hoating Rates**

1976/1982 US\$75,000,000 Ploating Rates ..

COMPANY LIMITED

22 Ellison Place Secret NEWCASTLE UPON TYNE NEI 8XT.
3rd August 1978.

PUBLIC NOTICES

THE MERSEY DOCAS AND HARBOUR

DIFFERENT GIVEN that the
following Terms and conditions, which
contain clauses limiting and excluding the
Company's liability, have been ravised and
are now effective.

11 "STANDARD TERMS AND CONDITIONS FOR HANDLING GENERAL
LARGO."

21 "COMMON USER TERMS AND CON-TIONS OF HANDLING GENERAL
CARGO.

2) "COMMON USER TERMS AND CONDITIONS FOR ROYAL SEAFORTH
CONTAINER TERMINAL."

3) "TERMS AND CONDITIONS RELATING TO GROUPAGE AND ASSOCIATED
SERVICES AT ROYAL SEAFORTH
DOCK AND WATERLOO GROUPAGE
TERMINAL LIVERPOOL."

Copies may be obtained at the address
below by application to the Finance
Department. Operations Division.

Port of Liverpool Building.

Port Head,
LIVERPOOL
Merseyside,
US 182,

HERTFORDSHIRE COUNTY COUNCIL fills £3m. tassed 9.8.78 due 8:11.78 & J 1-64th**. Applications totalled £15m. lotal potstanding £8m.

CLUBS

EVE. 189. Regent Street, 734 0557. A la Carte or All-in Menu. Three Spectacular Floor Shows 19.45. 12.43 and 1.45 and music of Johnny Hawkesworth & Friends.

1977/1983 US\$80,000,000

ders are hereby informed that No. 4 of the above loan will ole 35 from February 12 1979; the of USA45,18 per compon-ting 1881-360th of an interest "A per annum and covering od from August 19th 1978, to y 11th 1978, inclusive

Wallace have been appointed directors of HARTLEY COOPER AVIATION. The chaimsin, Mr. Francis For health reasons Mr. Frank Perkins, has resigned because of The Fiscal Agent A. Robinson has resigned as his commitments with BIBA. Mr. deputy group managing director J. D. Spooner has been appointed of HARGREAVES GROUP and chairman.

Corrected Notice CREDIT LYONNAIS

The Fiscal Abent CREDIT LYDNIASS-LUXEMROURG

COMPANY LIMITED

NOTICE IS HEREBY GIVEN that the Annual Genoral Meeting of the above company for the year 1978 will be held on Wednesday. St September 1978 at 12.00 hours at the offices of Meeting 12.00 hours at the Offices of the Offices of

ه يخامن العول

Businessman's Diary

U.K. TRADE FAIRS AND EXHIBITIONS

Date Current International Gifts Fair (cl. Aug. 17) Final rail link in the current developments at the British Steel Aug. 22-24 Education and Communication Technology Exbn. Corporation's Humerston project Aug. 28—Sep. 2... International Motor Cycle Show will be made by GRANT LYON Sep. 3—7
EAGRE of Scunthorpe, under a
contract valued at about £900,000. International Watch and Jewellery Trade Fair Giftware and Fashion Accessories Trade Fair The company, a member of the Sep. 5—7 Electronic Displays Exhibition

Royal Bos Kalis Westminster Sep. 11—14 Electrical and Electronics Exhibition

Group NV, will lay 9 km of Sep. 17—20 MAB international Menswear Fair standard gauge track. Electrical and Electronics Exhibition Sep. 19-21 Firefighting and Prevention Exhibition Sep. 24-27 International Garden and Leisure Exhibition Sep. 25—29 Furnaces, Refractories, Heat Treatment and Fuel Economy Exhibition and Symposium contract from Vickers Shipbuilding Group to supply life support ulpment. valued at over Sep. 26—28 Mailing Efficiency Exhibition 00,000. for the Royal Navy's Sep. 28 Petroleum Equipment Exhibition test nuclear submarine. Sep. 26-28 Mailing Efficiency Exhibition quipment comprises high ressure electrolysers for the

HOME CONTRACTS

Hunterston

steel works

CIB DEVELOPMENTS has

latest nuclear submarine.

or the removal of carbon dioxide

s to be provided by GRAVINER. Designed to provide a compre-heusive fire and gas protection

rane, costing about £300,000 has a lifting capacity of 60 tons 30 feet radius, and a flamepro

A contract worth £55,000 for refrigeration plant has been awarded by T. Wall and Sons (Ice Cream) to GRAM REFRIGERA-

TION (GB). This plant will operate in conjunction with exist

ng development facilities which are being transferred from the Wall's factory in Acton to Gloucester. It will provide refrigeration for the various

oration for the construction of dvance ractories at Crook, Co.

advance ractories at Crook, Co. Durnam; Hatchmoor Industrial Estate, Torrington, Devon; St. Michael's Road, Widnes. Cheshire; and Haydon Bridge, Northumberland. The contractors are A. LAX AND SONS; SLEEMAN CONSTRUCTION; F. AND F. S. WHITE; and THOMAS MUCKLE AND SONS.

Worth £100,000, a contract to supply industrial television

nuclear power stations being built at Hardepool, Cleveland and

at Heysham, Lancashire, Cameras are also to be installed at Wylfs nuclear power station, on Angle-sey, for use in a new dry store

HADEN YOUNG has an £80,000

APPOINTMENTS

Mr. Michael Usher has been appointed a director of FLEDGE-LING INVESTMENTS.

Mr. R. A. Crouch and Mr. L S.

year are as follows:

Group turnover

Attributable

shareholders

Shares in issue

Dividends per

share (cents)

Johannesburg

9th August 1978

Earnings per share

to ordinary

(cents)

for irradiated fuel.

water plants used to

will provide

rail link

Olympia Holland Park School, W.A. Earls Court Earls Court Bristol Exhibition Centre Mount Royal Hotel, London Bristol Exhibition Centre Earls Court Eastbourne Nat. Exbn. Centre, Birm'han Nat. Exbn. Centre, Birm'han Bloomsbury Centre Hotel

Treetops Hotel, Aberdeen

OVERSEAS TRADE FAIRS AND EXHIBITIONS

Damascus International Fair (cl. Aug. 20) Berlin Dusseldorf gas pumping station—a link in Sep. 5—8 Third Intercational Offshore North Sea Technology British Gas's bulk transmission Conference and Exhibition Conference and Exhibition Stavanger Int. Hardware, Tools, Household Goods and Gift-International Leather Week Johannesburg Sep. 11—15 International Electra and Mining Exhibition Belgrade Sep. 11-15 International Mining Exhibition Amoco UK has placed an order Sep. 12—15 International Congress and Exon. or a Sealion 60 D crane with Processing
PRIESTMAN BROTHERS. The Sep. 13—17 Int. Trade Exhibition for Home Improve Berlin Sep. 13—17 Int. Trade Exhibition for Home Improvements Sep. 13—21 International Engineering Fair Stuttgart Coffee Symposium and Trade Fair Montreaux Sep. 19-22 diesel engine prime mover. To Sep. 18—Oct. 1 ... be installed on a North Sea plat. Sep. 22—25 International Trade Fair Sep. 22-25 Exhibition and Trade Fair of the Turkish Textile and Ready-to-Wear Industry Quojem: Hardware Trades Exhibition for retailers, wholesalers and manufacturers

crane with a triple hydraulic sep. 24—27 pump assembly, providing power to the upper gantry structure which carries the three winch BUSINESS AND MANAGEMENT CONFERENCES Aug. 21 British Institute of Management: Selection Interviewing—Theory and Practice

Aug. 28—Sep. 1... Institute of Personnel Management: Practical Negotiation Skills Parker Street, W.C.2 Hemingford Grey, Cambs. Royal Lancaster Hotel, W.2 Aug. 30—31 Financial Times: World Aerospace
Aug. 31—Sep. 1... Brit. Inst. of Management: Effective Speaking—
Practice and Coaching using closed circuit TV
Sep. 3—7 Esomar: Value for Money in Market and Social Parker Street, W.C.2 Research
British Veterinary Association: Annual Congre Lancaster Uxbridge, Middlesex Brunel Univ.: Ergonomics of Workplace Design Local Authorities Management Services: Negotiating Skills British Farmer and Stockbreeder: Outlook for the Leicester Four contracts, together worth Sep. 4—7 £510,000, have been placed by the English Industrial Estates Cor Sep. 4—8 English Wine Growing Industry
Institute of Personnel Management: Work of the
Personnel Department
BACIE: Techniques of Instruction, Part 1
Management Training Consultants: Current Trends
in Management and Supervisory Training
Training Conferences: Safety Representa-Wye College, Kent Embassy Hotel, W:2 Sackville Hotel, Hore European Study Conferences: Safety Representa-tives and Safety Committees—Making It Work Kensington Palace Hotel, W. Institute of Personnel Management: The Secretary Whites Hotel, W.2 in Personnel Management Brunel University: Noise in Industry Uxbridge, Middlesex Brit. Inst. of Management: Management Accounting for Non-Financial Managers Parker Street, W.C.2 Sep. 7-8 Brunel University: What is organisation develop ment? Uxbridge
Inst. of Personnel Management: Advanced Interviewing and Assessment Skills
Bradford University: Practical Skills of Managing
Bradford Uxbridge, Middlesex stems for use in the safe Sep. 10-16 handling of irradiated fuel, has been placed with MARCONI Sep. 10—15 People at Work

Prit. Inst. of Management: Unfair Dismissal tronics company). The camera Sep. 11 systems have been ordered by Sep. 11—15 GEC Reactor Equipment for two Sep. 11—15 Parker Street, W.C.2 68 Churchway, N.W.1 Ahraxas: Synectics—Innovative Skills
..... Brunel University: Production Management and
Human Behaviour; also — Workplace Negotiations,
Sep. 11—15 Inst. of Cost and Management Accountants
Summer School: Achieving Productivity and Uxbridge, Middlesex Surrey Univ., Guildford Reward Transport Staff College: Strategies in Passenger Transport—Present and Future M Foundation: Selling Solutions—not just Farnborough, Hauts, Daily Mirror, E.C.4 White Space and effluent drainage at the Sep. 12—14 Sep. 13 Sep. 13 Sept. 13 Sept. 13 Sept. 14 Sept. 13 Sept. 14 Sept. 14 Sept. 15 Sept. 15 Sept. 16 Sept. 17 Sept. 18 Sept. 19 S ist. Personnel Management: Mannower Planning Henley Centre: Background Forecasts Corporate Plans and Budgets to 1983 Context Training: Managers' Course Carlton Tower, S.W.1

lost, of Marketing: Trading in the 1980s

the Board has appointed Mr. Robert B. Strucham in his place.

Mr. Robinson remains an execu-

Mr. N. J. Walker-Robson has been sppointed a director of CROSSWALL REINSURANCE.

tive director.

PROTEA HOLDINGS LIMITED

(Incorporated in the Republic of South Africa)

ABBREVIATED

PRELIMINARY YEAR END

REPORT TO

SHAREHOLDERS

The estimated trading results of the Group for

the year ended 30th June, 1978, and the actual

results for the comparable previous financial

The 27% increase in per share earnings over the

previous year was due not to any significant improvement in the market (turnover increased by only 5%),

but rather to effective control of operating costs in the

favourable conditions taken last year in eliminating various loss making activities. The financial structure of

the Group is sound and it is very well placed to benefit

The Board has decided to declare a final dividend of 10.5 cents per share (1977 — 10 cents) payable to share.

holders registered by the close of business on 25th August 1978, which together with the interim dividend of 4.40 cents (1977 — 3.5 cents) gives a total dividend

from any revival in general business conditions.

for the year of 14.40 cents (1977 - 13 cents).

Year ended 30th June

R176,028m R167,308m

R8,266m

29,521m

28

14

R6,495m

29,521m

Aiden Beard

Directors

22

13

Café Royal, W.1" London Hilton, W.1

Dfls 45,000,000.-71/2% bearer Notes of 1971 due 1975/1978 REPUBLIC OF SOUTH AFRICA

FOURTH ANNUAL REDEMPTION INSTALMENT

Notes belonging to Redemption Group No. 3 will be redeemed on and after September 15, 1978

Paying Agents: Amsterdam-Rotterdam Bank N.V. (Central Paying Agent) Algemene Bank Nederland N.V. Bank Mees & Hope NV Pierson, Heldring & Pierson N.V. Banque de Paris et des Pays-Bas N.V. in Amsterdam and

Banque Générale du Luxembourg S.A. Banque de Paris et des Pays-Bas pour le Grand-Duché du Luxembourg S.A. in Luxembourg.

August 14, 1978

European-American COMMODITIES CONFERENCE

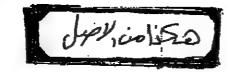
October 2 and 3, 1978, London Hilton An essential conference for all who use, regulate, effect and are affected by commodity markets world-wide-food processors, farmers, brokers, bankers and traders.

This is a unique opportunity to hear experts, advise on current trends, forecast significant developments and provide critical analyses of the U.S. and European markets. The conference is structured by New York University and the Chicago Board of Trade to encourage maximum participation from and discussion between delegates and speakers. Course fee: \$U\$ 310 (including V.A.T.),

For further details complete this coupon and return to the address below:

Сопрапу

New York University School of Continuing Education Division of Career and Professional Development 34 Stanford Road, London W8 5PZ. Tel: 01-937 316.



Financial Times Monday August 14 1978 TODAY Gratham int. Trust Newway (Louis) DAYIDEND & INTEREST PAYMENTS DIVIDEND & INCIPERENT PRAYMENTS—
Aberdeen Throftes, Red. 21,279 15 and
Aberdeen Throt aptide. Let greb.
Aberdeen Straktivise Le. 3 acc
Androcken Straktivise Let greb.
Associated News Inv. Tress Pt. 6nc
Associated News Inv. Tress Pt. 6nc
Boyn Warmer Associated Straktivise Boyn Warmer Associated News Inv. 3 acc
Boyn Warmer Associated Straktivise Bristol 18cc Red. 1985 Blase
Bristol 18cc Red. 1985 Blase
Bristol 18cc Red. 1985 Blase
Cambridge Throstol. Red. 21/2/19 15 acc
Cambridge Throstol. Red. 21/2/19 15 acc
Constant Sycliss. Red. 13.280 4 acc
Constant Sycliss. Red. 13.280 4 acc
Constant Sycliss. Red. 13.280 4 acc
Constant Sycliss. Red. 21/2/19 15 acc
Constant Straktive Letter 18cc
Gensow Throstol. Red. 21/2/19 15 acc
Gensow Stockholders Trost Inc. 18cc
Traktivise Conductor Throstol. Red. 17/2/19
Test.
Tribut
Great Varmounts 7 acc
Box 1996-92 14cc rethinedes Inc. Trust income 2p justing Electric. Supply Pf. 6sc 8 F. 0.7 316679 and 0.3359 and Precision Engineering 0.359 and Precision Engineering 0.359 and Precision Engineering 0.359 attention 1. and H. S. 1 0.39 pictoral Carbon-turn for 0.0576 archive Fundam Inc. Trust 1.259 archive Corner, 16 cents. Soc 1st and 2nd 1st 35 cents ived Corons, 16 cents. !! its 35 cents pre Child and Beney 20 9/2/63.
Gatesbad 7 mcRds.
Gatesbad 7 mcRds.
Glaspow 7 mcRds.
Glaspow Stockholders Time
1./Sec
Great Yarmouth 7 mcRds. Rcb. All 1/2/6
Great Yarmouth 7 mcRds. Rcb. All 1/2/6
Greater London 8 mc 7990-92 Sect
High Peak 7 mcRds. Red. All 2/2/9 3 like
international Bk. for Reconstruction 7
Development Bk. for Re COMPANY MEETINGS And the second

 $\{s,\gamma^{(0)}\}$

1.11817

17 1.5 $e^{2i\rho N^{1/2}}$ 100

any Poor & Scho Sacht, 1.73ex WEEK 11596 Varrington 7 hoofids, Red. 21/2779 37596C Year Valley 101-polids, Red. 10 2/82 55ec Yest Varrenire 7 hoofids, Red. 21/2779 311606 of 90. Sheept, 1.925pc Ambrosel Sheept, 1.925pc WEDNESDAY, AUGUST 18

The following is a record of the principal business and financial The following is a record of the principal business and financial Farrish (J. I.) 3.8350

Rade 1976-78 Super Super 1976-78 Super Intringulation of Proceeds. Red. 1976-78 Super Intringulation of Process. Red. 21/2779 Super Super Intringulation of Super In

DIVIDENCE Red. 16.878 £4.2606 mbruge \$4.0584. Red. 16.878 £4.2606 mbruge \$4.0584. Red. 16.878 £4.2606 mbruge \$4.0586. Red. 16.878 £4.2606 st \$4.0586 Red. 16.878 £4.2606 st \$4.0586 Red. 16.878

Spc Victoria Carnet 0.9791a Victoria Carnet 0.9791a Victoria Carnet 0.9791a Vices Lothian 10cBds. Red. 15/8/79 Spc Westminster 10cBds. Red. 15/8/79 Spc Wimborne 10pcBds. Red. 15/8/79 Spc

41 Baker Perkins 2.4p

COMPANY MEETINGS-

DIVIDEND & INTEREST PAYMENTS Ashdown Invest, Trust 1.30 Bath and Ponland 1.50 Bett Bros. 0.7679 Braby Lesle 3.25p Brand 0.47582p Brand 0.47582p Brand 0.47582p Brand 0.47582p Brand 0.47582p Brand 0.47580 Brand 0.47580 Dundenian 1.1296p Guardian Inv. Trust 4:pcDb. Haima 0.27360 c Jokal Tea 6pcPl 1.611ac LCP 2.790 LCP 2.790 LCP 2.790 Newcastle upon Tyde 124 Newcastle Upon

64PC Theatre 1.78P Piccadility Theorie 11. Scapa 35 Scapia 35 Scottish and Mercantile Inv. Ord Vip. 15 Chartered Bank 11.60

SATURDAY, AUGUST 19 DIVIDEND & INTEREST PAYMENTS-Refel (ed., Allen House, Lejoester, 16., Paterson (R.) 1.51p

office of the Depositary and Principal Paying Agent, Chemical Bank, 186 Serand, Zurich; Kredictionic S.A. Luxambourg, Luxambourg. The above numbered Bonds will be redeemed at the office of the De Bank, New York; Chemical Bank, Paris; Chemical Bank, Zurich; Kredie Each bond redeemed will be with coupon 6 and S.C.A.

Dated 14th August 1978. London WCIR TET, or at any of the National Westminster Bank Ltd Registrars Dept, Bristol.

INTERNATIONAL BONDS

BY MARY CAMPBELL

Swing round in D-Mark sector

The big change was in the D-Mark sector. If the dollar's collapse on the foreign exchange markets did not seem to affect media dollar bond prices it certainly it was a big factor in pushing up demand for D-Mark bonds. On the domestic front, German investors adopted the view that the Government's financing Cadal

markets continued to chart what to many was a perfectly amay was of the government as a post one sources, and a post one observement in the plant of reading approved due to freadful approved on the Government as in the last market conditions only a week Capital Market Sub-Committee on Philosom for between DMSSOm and worth of issues in the ment month. This compares with full market sources which was of this calendar, while Japanese ouvertibles also do not have to despitual market conditions only a week Capital Market Sub-Committee on Philosom for between DMSSOm and the ment month. This compares with full market success which was a perfectly amay and proved up marginally at the end of lost week. But it is a perfectly market success said on the plant of the Government's saies will be one scheduled for after the next month. This compares with the plant of the Government is one factor in this Another was a perfect doring the

SONDTRADE INDEX AND YIELD 1978 99.86 8.07 92.91 8.75 (seminal value is Sm)
U.S. dollar bonds

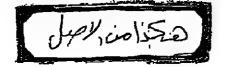
CURRENT INTERNATIONAL BOND ISSUES U.S. DOLLARS Blyth Eastman Dillon 1§Coca Cola Bottling †Exp. Dev. Corp. Canada Smith Barney, Harris Upham ari Serit CSWW D-MARKS WestLB 10.75 ‡Chase Manhattan on Steel (g'toed Deutsche Bank Ind. Bk. of Japan) 15Murata Manufacturin Mitsubishi Petrochen Bay. Vereinaba WestLB (g'teed Mitsubishi Bk. Deutsche Bank STrio-Kenwood 1984 1986 Deutsche Bank BHF-Bank Statoli (g'teed Norway) YEN 6.7 250

September 4 and a DM30m issue with Dediction Dates are via Commercially for Toyo colean managers.

Rubber.

Commercially lower than that severally lowers its tatal borrowings on construction and equipping of several markets this year severally lower than that lower than that severally lower than that lower than

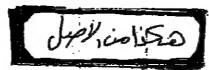
Government's financing Cadal	191.9 201.2	There may of course be issue:	public issue in the New York	t 5000m Hom C.S., Marty-La and	. Manuaces	· · · · · · · · · · · · · · · · · · ·
Indices	R.Y.S.E. ALIGOWNOE	Siste and Falls	GERMANY +	JOHANNESBURG	Aug. 11 Aug. 8 - Aug.	
EW YORK -DOW JONES	Aug. Aug. Aug. Aug. Bigh Low	Aug. 11 Aug. 10 Aug. 9 Aug	Din. - % 8	Anglo American Corps. 6.16 +0.18 Charter Consolidated 3.76 East Driefonieln 18.05 +0.40	ACMIT.(3) cents) +0.66 Kents 46	743.8 +1.8 cid'i o. 440 +2 9 552 +10 559 -6 12 559 -6 12 559 -6 12 557 +10 557 +2 1.758 +13
1978 Since Compilat	NO. 12 NO. 24 NO. 25 NO. 47 50 76 49 27	Falls 614 893 532 Unchanged 405 585 534	Altiam Versick. 476.5 0.5 31.2 3.1 81.6 1.5 1.2 1.3 1.3 1.3 1.3 1.3 1.3 1.3 1.3 1.3 1.3	Elsburg 145 +0.15 150	AMATIL SL	552 + 10 559 - 6 1 509 - 6 1 509 - 6 1 788- 1758 + 10
Ang. Aug. Aug. Aug. Aug. Aug. High Low High Low	* MOSTREAL	New Lower 5 7	Bayer, Bypo 136.7+0.7 18.76 5.8 Bayer, Bypo 290 +1 29.12 4.5 Bayer, Bypo 381.0 +1.5 18 2.7 Chaine, Sed, area 155 +1.5 18 2.7	Klocd 11.00 +8.10	Assoc. Minerals 11.35 1.27 1.0.82 II.5. A. Ger	537 +9 1.758 +13 385.5 +8.5
Prints 860.85 885.48 881,65 889.21 865.05 888.45 891.65 742.12 1651.70 41.22 (28/2) (11/1/73) (2/7.58 88.56) 88.85 88.85 88.66 88.75 40.66 88.75 88.75 88.75	Aug. Aug.	Righ Low	(The sent of 9210 - 02 94 60 11 1	10-14 Photo 54 ST ER 45 M	Anet. Foundation Investigation 21.10	1,067 -4 7
(4/1) (4/1) (1/10)	Industrial 199.83 199.67 2 Combined 207.20 206.97 2	00.25 199.66 200.25 (949 162.90 (1645) 07.86 207.17 207.76 (946) 170.62 (30/1)	Degree 263.5+1.5: 17 8.5	Gold Figure St.	Aust Oil & Grand 10.50 -0.05 Credit Con 10.28 Credit Con 10.28 Credit Low	[PP 60.9;—9.61
POTE 247.87 248.46 248.60 248.81 248.78 248.85 249.90 130.51 279.88 15.25 (9/1) (7/2/83) 67/13 (9/2/83) 107.27 107.41 107.48 107.88 108.08 108.15 110.98 128.24 (26/4/63) (28/4/63) (28/4/63) (28/4/63)	TORUNTO Composite 1225.5 1215.5 1	921.6 1920.0 1926.5 (13.6) - 998.2 (30/1)	Deursche Back. 302.5rr - 0.3 28.12 4.6 Drusche Back. 302.5rr - 0.3 28.12 4.6 Drukerhoff Zemt. 342.5 + 1.5 28.12 5.7 Dyskerhoff Zemt. 203 :+5 9.50 2.5 Guteboffnang 211.5; +2.0 12 25	Pro-cirient Sterry 17.30	Bougainville Copper	715 —14 5 140.5 —2.5 1 contain 210 +5
55,550 53,885 48,860 54,840 55,550 57,970 — — — —	Gold 271.6 286.8 1 Industrial 281.5 286.8 1	95.6 295.7 297.4 (1.6) 195.0 (20/4) 56.8 297.5 251.5 (11.6) 196.9 (13.5)	Una - 11-4 100 See - 0 7:14 46 5 5	West Driefontels	BR South	66.0;+1.8
Sasts of Index changed from Angust 34	Ang.) Pre- 1 1978 , 1978	Aug. Pro. 1978 1978	Horehat 338.0 + 5.5 28.72 4.7 Horehat 181.3 + 0.3 18.76 7.2	Western Holdings 41.30 +1.00	Cockburg Coments	1.771+17
and, div. yield 2 Aug. 4 July 28 July 21 (Year ago approx)	Ang. Pre- 1978 1978 1978 1978 1978 1978 2000 August 1978 1978 1978 1978 1978 1978 1978 1978	II vione Buch Low	[Harrison 157.0.4(LD 9.05) A.L.	Anglo-Amer. Industrial 10.80 +6.30	Coles (G. J.)	essey. 549 +3
5.25 ; 5.47 5.62 5.03	Belgium (h 97.98 97.54 101.16 90.43	Suradan (a) 603.88 (00.08 (00.08) (305.74	Kati und Saks 148 +1 14.04 4.7 Katytedt 25.44 5.6 Kathot 244 -2 18.72 5.6 Klockner DM100 97.5 -0.5 - KRD 181.6 +2.8 18.79 6.5	CNA Investments 1.85 +8.16 Cmrie Pinance 9.34 +8.17 De Beers Industriai 12.00 +6.25 Edgars Councildated Env. 2.50 +8.16	Contain Ameraile	780.0 +24 1
DARD AND POORS	Denmark (** 98.37 98.74 98.37 94.00 (11.6) (8.2) **Prance (11) 75.9 75.3 76.5 47.6	(286) (204)	100.0 +0.2 140de 261 +1 25 4.6	Edgars Stores	SCOR 10.88 Perhine; 10.88 Rider-smith 2.35 R.Z. Industries 2.35 Perhod. Rich 170 d.02 Region 1	froes, 506 +63 1
Ang. Aug. Aug. Aug. Aug. Aug. Aug. Bigh Low Bigh Low trials 114.98 114.57 115.55 115.05 114.48 114.86 115.55 95.52 134.84 6.55	Germany(11) 818.0 817.2 (819.9 756.4	Indices and base dases (all base values 100 except NYSE All Coursen — Standards and Pooges — 10 and Toronto — 300—1,000, the last manuel based on 1975; Excinding boucks, 2 400 industrials, 40 Utilines, 40 Figure and 20 Transport — Swirger All Ordinary	Lethanes 110.5 + 1.5 9.56 4.3 MAX 197.5-1.0 12 3.0		Hamersley	100.5 -0.8
site 105.89 105.85 104.50 104.01 105.55 105.82 104.50 68.90 125.85 4-40	Holland (95) 85.8 86.2 87.0 78.0 Hone Kong 894.22 614.38 694.22 225.44	206—1,000, the last named based on 1975) † Excluding bonds, \$400 industrials \$400 industrials 40 Stillers 40 Fundaments	Management	McCarthy Rodway 100 +0.00	Jennings Industries 11.17 -0.01	1,706+1 205.1+0.2
1 (9/8) (9/8) (11/1/65) (1/6/85	Tenly (117) (11/4) (12/1)	and 20 Transport, \$5 years AB Ordinary Belgian SE 21/12/83. ** Copenhagen SE 1/173. If Paris Somme 1961. It Commers bank Dec., 1962. \$6 Amsterdam Industrial	Neckarman.n 157.5-3.0 Prepeng DM 100, 156.0+2.5	OK Bassars	Jones (Havid) 10.36 +0.31 Telemeson B 10.30 +0.92 Usines	787 +5 randt. 244.9 +2.9 24.0 +0.5
Aug. 9 Aug 2 July 25 Year ago (approx.)	Japan (a) 418.25 418.02 455.41 364.00 (19/1) (19/1) (4/10) Singrapore 388.14 385.62 386.14 268.0	1/173, 17 Paris Homes 1961. 17 Commers bank Dec., 1962. \$6 Amstandam Industria 1978. 18 Hang Seng Bank \$1/7/46. \$6 Bancs Commercials Italians 2/1/72. 6 Tokyo	Schering 268 +2 28.12 5.2 Stamens 294.5.+0.2 15 2.7	Premier Milling 6.20 +0.10 Preturis Coment 12.40 Protest Holdings 1.55 Rand Mines Properties 2.55 +0.25	M1M Holdings 12.51 -0.01	
yield % 4.70 4.75 4.95 4.49 B Natio 9.97 9.78 9.40 10.06	Singapore 388.14 585.62 386.14 585.0 (8) (11.6) (9/1)	1978. 11 Hang Seng Bank 31/744. W Banc Commerciale Italians 2/1/72. c Toky New SE 4/1/88. b Strains Times 1985 c Closed. d Madrid SE 38/12/77. c Stack holys Industrial 1/1/28. Swiss Bank Corporation. S Unavailable.	Notice N	Refice SAPPI 125 -4.6	Nicholas International	
ov. Bond yield 8.82 8.46 8.66 7.70		hoim Industrial 1/1/St. Swiss Bani Corporation. Unavailable.	Vention & West Bt 295 18 5.1 Volkswagen 236.0 + 5.5 35 5.8	SA Breweries 150 +4.01	Little Control TO 49 LILIA FREDOUNT	278
				Securities Rand U.S.50.75 (Discount of 34.75%)	Hackfitt & Dolman 12.02 Semparit.	90 216 250 +2
V YORK High Low Stock II 1978 Low Stock II 1978 11 11 11 11 11 11 11	High Low Stock 11	High Low Stook 11	High Low Stock 11	ANSTERDAM	Sparges Exploration 10.48 +0.92 BRAZIL Walkers 10.87	
521a 984 CPCIDITE TO MODELL SQUE	3814 Johns Manville 3214 6714 66 Johnson Johnson 8734 3814 Johnson Control. 3814 3814 Johnson Control. 3814 3814 Johnson Control. 3814	565¢ 38 Revion. 561¢ 521¢ Reynoida Mannia. 521¢ Reynoida M. J. 521¢ 281¢ 281 29 Mich'so Merrell. 29 361¢ 281¢ Rock well inter. 561¢ 381¢ Robas & Hana. 561¢ 381¢ Robas & Hana.	20% 17% Woolworth 20% 41g 61% 41 Xeroz	Aug. 11 Price For Div. Yid & X	Westerns Miraling (50 cents) 1.58 Aug.	II Crus —
26 Abbott Labs	2914 231g K. Mar Corp. 2814 361c 28 Kaiser Alumin'm 36	281g 20 Mich'son Merrell. 29 361g 281g Rock weil Inter 341g 361g 281g Robus & Hans 36	1916 1456 Zapata 1856 1854 1156 Zenith Badio 1856 95 9575 U.S. Treas 47 1860 195 8266 7975 U.S. Treas 47 1665 16116 7.192 6.072 U.S. 80 day bills. 6.885	Ahold (FLS)	TOKYO T Banco do B Banco Itan 19Printi Low Div 1974 Bolgo Mine	1.70 +0.02
22 AiranAluminium 3114 811s 161s Gurtiss Wrights 161s 8634 Airon	5 134 Kaiser Industries 2 274 214 Kaiser Steel 274 144 554 Ksy 1216	6114 5419 Boyni Dutch 6114 1716 1218 BTB 1419	95 954 U.S.Tress #2 1860 +95 824s 797s US Tress 42 1865 +814 7.192 6.072 U.S. 90 day bills. 5.882	AMEV (FLM) #5.8 50 6.0 Amrobank (F.90) #8.6 +1.0 25.5 5.7 Himton #1.0 0.8 26 5.7	Aug. 12 Prices + or Div. Tki. Beigo Mine Lojas Amerikan Pricesoras I	P. 3.41 -0.54
1714 Allegheny Power 1814 4884 54 Ibrit Industries 4934 5414 Allied Chemical. 5559 55 25 Berry 1814 Allied Stores 2514 58 2214 Del Monte 3514	38 1986 Kennecott 2814 50 4012 Kerr McGes 51 51 5566	2834 131g System System 2814	CANADA	Boks West m(F.10) \$27 +4 824 6.5	Amhi Glass	OP 2.700.0
221g Aitis Chaimers 555g 155g 51g Deitons 121g 511g AMAX 415g 415g 245g 151g Dentsply Inter 215g	50 3834 Kimberty Cleek 49 2414 1934 Koppen 2134 4734 4734	461g 861g Mifeway Stores 43. 513g 821g St. Joe Minerals. 521g 853g St. Megt Paper 531g 529g 393g Managa Fe Indo 541g	16 1014 (Abitshi Paper	Snnsh, V.Bearer 183.5 +0.5 37.5 5.6 Snr ComTst(FL10 68.0 94.5 5.1	Dai Nippon Print: 559 1 18 1.7 Turnove	ros PP 1.55 +0.05 r Cr.132.6m. Volum ros: Rio de Jameiro
91g Amer. Airlings 157g 29 25 Dismond Shame's 28 171g 112g Dictaphone 17	361g 251g Kroger Co	714 334 Saul invest 634 714 44e Saxon Invest 636 64e 10 Schlitz Browing 1356	251g 141g Aigons Steel 281g	Se'nesen (PL2S) 103.6	Hitsets 229 +5 13 2.6 OSLO	
345 Amer. Streetess. 591g 487s 4814 514s Utimety (Wait) 4614 4614 514s Utimety (Wait) 4614 4614 4614 4614 4614 4614 4614	3714 2119 [Levi Strauss 3619 3619 2614 [Libby Ow. Food 3619	213e 151g SOK	73a 4.20 Basic Resources. 4.25	Hunter D. (PLPO) 85.Z+0.2 12 4.8 K.L.M. (PLDO) 15880-4 8 5.3 int, Muller (20) 49.3-0.2 19 7.7	Rouse Food	
334 Amer. Dist. Tel 351g 276g 28 Drawo	5619 3616 Lilly (Bt) 5276, 6274 3676 Lilly (Bt) 5276, 2334 1414 Letton Indust	1816 1814 Scott Paper 17 3446 1914 Scott Paper 17 3446 846 616 Scott Paper 18 346 846	39 52 iBell Telephone 58% 35 2014 Bow Valley Ind 37	Naarden (Fl.10) 33.4 +0.1 12.6 8.7 Nat. Nedios(Fl.10) 104.5 -0.3 48 4.6 NedCred His(Fl.20) 65.5 +0.6 21 7.6	Jack 570 +10 15 1.0 Bergen Sen Jak 570 -15 Bergen Sen Kannel Elect Pw. 1,200 +20 10 4.2 Creditbank	81 +1
2654 Amer. Rome Prod 514 128 974 Dupon 1304	943a 171a Lone Star Indus. 241s	361g 197g See Container 311g 36 301g Seegram 361g	181 ₂ 181 ₄ BPOsands	KedMid Bb(71.50) 194.5+1.0 22 5.6 Uco (71.80) 165.0 +0.8 36 4.4	Konsten	
591; Amer. Nat. Gas 438	2014 1856 Long Island Led. 1914 9474 2014 Loudsam Land 2856 4876 2554 Lohrisoi	16ie 11ie Searle (G.D.)	40 34 Caigury Power 397; 1714 1116 Camfow Mines 16 1114 889 Canada Cemens 10%;	Van Ommeren	Matematics Ind 708 —1 20 1.4 Storebrand Mitsobish Bask. 220 +1 10 1.5 CDAIN	100 +8
2814 Amer. Stores	1014 Sig L'ke Yungat'wn, 11 13 984 MacMillan 11 4444 3884 Macy R. H. 4354	36 2814 Shell Oll	144 976 Canada NW Lan 1216 2914 2214 Can Imp. Bk Com 2914 2134 18 Canada Indust 1214	Philips (Fi.10) 25.5 -0.2 17 6.5 kp:SchVer(Fi.10) 79.5 -0.5	Mitsubishi Corp. 485	Per cer
10 Amper assessment 17 431 674 Amper assessment 17 431	39% 89% Mts. Henover 39% 34% 48% 40 Marsthen Oil 48	145e 105 Simplicary Pat. 127s 237e 18 Singer 19	211e 151e Can, Parific	Horento (Fl.50) 132.6-0.1 49.5 3.8 HovelDateb (Fl.20 130.9-1.2 55.75 8.2	Mippon Shingan 735 +25 12 0.8 Ranco Cer	tral 112
174 Anneo Steel 3516 27 28 B.M.I 3512 26 Armeo Steel 3176 27 281 bagelbard 3614 3614	1614 113, Marine Midland. 153; 2814 1914 Marshall Field 2578	971g 463g timith Kime 961g 314 13g siotitron 34 34 354 18 Southstown 34	661g 81 Can. Saper Oll 645g 8.12 8.06 Carting O'Keefe. 4.90 115g 81g Cassiar Assessor 106g	>havenburg 248.5 +0.8 20 8.4 >teringrp (P1.30) 128 +1 274 4.3 Fokyo Pac Hida 5 145 -1 30.50 0.8	Niemo Motors	
81g Associetà Oil 177g 9536 18 http://www.scaleta.com	267g 207g May Dept. Stores 247g 561q 325g MCA	267g 255g Southern Cat. Std. 361s 175g 151s Southern Co 157g 368 268g Std. Not. Bes. 556g 341s 303s Southern Padite. 321s	291 ₆ 175 ₆ Chiefinin 281 ₄ 291 ₄ 231 ₄ Cominco 281 ₅ 31 211 ₆ Gons. Satheres 3G4	Unilever (PLEO)	Sekian Prefab 690 second 60 1.7 Banco Ind	Cat. (1,800) 175
271s Anhand Oil	263 1636 McGraw Hill. 257	651s 4434 Southern Ballway 551s	191 ₈ 151 ₄ Consumer Gas 191 ₄ 81 ₄ 51 ₄ Coucks Resources 61 ₅ 133 ₄ 71 ₂ Contain 121 ₄	COPENHAGEN 6	Taketa Chemical 405 -3 11 2.4 Banco Sar Taketa Chemical 405 -3 15 19 Banco Uro	tander (250) 366 . mijo (1,880) 250 2472
878 AVO	214 484 Merck	31a 224 Southland 324 254 254 254 254 254 254 254 254 254 2	1014 618 Duon Devel	Ang. 11 Fries + or Div. Yid.	Tokyo Marina 486 11 10 8.4 Banco Zar Bankumion	2002200 272 250 20022 283
4414 Aron Froducts 605a 233 287a Florida Power 317a 291a 305a Batt. Gas Ricct 271a 393a 305a Finor 3214 393a 2814 Bankers Tr. N.Y. 38 2814 2014 F.M.C	4314 2514 MGM 4314 5214 4514 Ming Ming 2 Mig 61	387g 210g Squit. 341g 287g 231g Standard Rennis 391s	961s 701s Dom Mines 951s 661s 531s Dome Petrolean 661s 215s Dominion Bridge 251s 211s Dominion Bridge 251s 211s	Andebbuchus 140 +14 11 7.9 Damke Bank 127 +14 12 9.5	Tokyo Sanyo 525 2 12 19 Baboock Toxay 154 +1 10 3.7 CIC	Pilcox
25	561 394 Morgan J. P 501s	4414 2466 Sed. Outsitionia 4256 5214 44 Sed. Out Indian. 5716 2916 Sed. Out Otto 58 4536 Sel. Otto 58 4536 Sel. Otto 58	16 12 Dupont 144s 281s 164s Falcon'ge Nicket 27s 81 694 Ford Motor Con. 7?	Heat Asiatio Co. 1541g 21g 12 7.5 Pipenshanken 1381g 15 9.7 Bryggerier 3791g 12 5.8	Toublin Corp	doeses
31 bg BectonDickenson 59 101 7 bg Frankin Minn. 14 Rell & Howell. 27 884 15 g Frachin 283- 284 7 Frachin 3114 15 g 284 244 7 Frachin 3114	49 33 Murphy Oil 48	19 127s Sterling Drog 1845 693s 437s Studetuker 684s	3150 2550 Geneter 3170 1514 1514	For. Papir 80 128 12 8.6 12 8.6 12 8.9	SWITZERLAND SWITZERLAND	Tinto #9
21g Bengust Cons B' 45g 125g 84g Faque Inda. 124g 801g Belliellem Steel. 253g 16 101g G.A.F. 147g 147g	1975 14 Mattorat Can 201s	551g 515g Sundstrand 55 343g 183g Syntex 335g	32 26 Guil Oil Carada 29% 8% 5 Rawkerbid Can 8% 46 29 Holltown 42%	Nord Kabel 196 +1 12 5.1 Oliefabrik 106 +5 - 9.0 Privathank 135 - 9.0	Asg. 11 Price + or Div. Tid. Grupo Vel	AZQUEZ (40g) 145
251g Boeing 72 491s 344s Gen. Amer. Let. 101s 221s Boice Cascade 511s 11 87s Gen. Amer. Let. 101s 321s 222s G.A.T.A. 304s 304s 304s 304s 304s 304s 304s 304s	167s 181s Nat. Service Ind. 17 347s 291s National Steel 535s	144e 514 Technicolor 144e 454 117 654 181e 181e 181e 181e 181e 181e 181e 181	475 ₀ 37 Home Oti 'A' 425 ₀ 185 ₀ Hudson Bay Mag 181 ₀ 24 161 ₀ Hudson Bay 251 ₄	Provinstank 1404 11 7,8 Soph Berensen 417 12 2.9 Superior 194 +1 12 6.2		Rounidas 57
251g Borg Warner 31 19 111 Gen. Cable	6334 3714 NGR 6388	Sole 281s Temero	477g 4014 Hndson Oll & Gas 465g 2014 17 [.A.C. 197g 351q	STOCKHOLM	Othe Gelgy Fr. 100 1, 100 45 22 2,0 Petroleos Do. Part Oart. 805 -35 22 2,7 Spings	261.5
281g Bristol Myers	3545 32 New England Tel 544, 151, 1378 Ningera Mohawit 1479	12 754 Peroro Petrolaum 113g 27ta 27ta 25ta Denneo 25ta 2019 47 25ta 17ta Fennaguif 30ta 30ta 30ta 30ta 30ta 30ta 30ta 30ta	211g 184g Imperial Oil 211g 207g 151g Inco 183g	Aug. 11 Price + or Div. Fid. Er. %	Gredit Suisse	pelera 50.1
25% Brockway Glass. 54% 20% 10% Fee. Pub. Util. 18% 13% Brunswick	214 153 Norfolk&Western 244	9216 611g Texas inst m 386g 351g 2444 Texas Oil 2 Gen. 3714	1414 Sta Indah 1415 1415 1216 13	AGA AD(Kr.50) 211zc 2 6.8 2.6 Alta (avaB(Kr50) 149 +1 5 5.3 ASBA (Kr.50) 85 +1 5 5.9	Do. (Smith. 7.025 +25 110 1.5 Union Ele	
5 Sulova Watch	2814 24 Nthu. States Pwr 265; 36 2014 Athwest Awlines 327;	36 224 Times Manue 33	164 13 Kaser Resources 15 91 67 Lauri Fin. Corp. 814 4.85 3.25 Loblaw Com. R 4.35	AtiaseCopeo(Kr25 138 +3 6 4.4 Billerud 65 -1 4 5.2	Messie (Fr. 100) 0,480 485,5 2,5	KONG
511s Campbell Soup 361s 43 533s Getty Oi	211g 165 Norton Simon 198s 261s 20 Occidental Petrol 211s	551g 411g Traine 520g 455g 515g Traine 41 18 151g Trainemerics 177g	224 1554 Memil's Bloedt 22 1638 978 Massey Peguson 1134 2754 204 Meintyra 26	Certin 200 +1 5.75 2.9 Cel hutom 340 10 4.2	Phreth STP(F-100) 290	Koog # Abg
2414 Uarnation	2836 1884 Ogilvy Mather 2714 1914 1716 Ohio Edison 1898 1879 1378 Ottn 1898	214 174 Franco 21 574 421 fram Union 364 204 214 Tran way later 39	361g 283g Moore Corpn	Historiux'B'(Kr60 150		ed Kubber 2.5
454 Caterpiller Tracts 614 284 8576 Grace W. R	28 205, Overson Ships 244g 341, 2714 Owens Corning 331s	40 261s Transles World All 363s	1876 144 Horoza Buergy 17 1640 1546 Ntha Telecom 36	Fagersta 104 -1 4 5.9 Granges (fres) 52.5	Sales Ot (FriDO). 345	an Proporties. 1,1
15 Oentral & N. W 1654 1414 1312 Greyhound 1584 15 Greyhound 1584 15 Greyhound 1584 16 Guil & Western 1684 16 Guil & Western 1684 1884 1884 1884 1884 1884 1884 1884	2336 1968 Owens Hinds	411g 27% 72W 40%	391g 14 Numac Oil & Gas 401g 65g 3.55 Oakwood Petrilin 4.56 2.50 1.65 Pacific Copper M. 2.30	Harabou 115 9 7.0 He Oob Dometo 57 - 3.75 9.1	Swint (Re) (Fr250) 4,925 40 2.0 8. Asia Nu	our Tutingl 11.
291g Cesma Aircraft. 46 681 547g Hallburton. 678g 271g Chase Manhatten 55 3834 32 Hanne Mining. 371g Chemical Ric. NY 4214 177g 148g Harneseneger 153g	211g 183s Pacific Lighting 193s 225s 201s Pan Fwr. & Lag 25s 61s 4 Fan Am WordAir 77s 25s 20 Parker Hannifm 286s	391e 201g State Country Fox 391e 404e 192a U.A.L. 392e 392e 371e 183t UALCO 211e 211e	44 351 ₀ Pacific Petrolemes 391 ₀ 371 ₄ 311 ₄ Pan. Can. Pet'm 316 ₀	5.K.F. B' Krs	Home Kone	Aircraft 70. Hiertria 8.6 KowloonWharf
2015 Cheesbrigh Fond. 2578 5538 3934 Harris Corpn	2754 2018 Feshody Intl. 2714 2154 2058 Fen. Pw. 2 I 2156 4214 2514 Fenny J. C. 3988	42 35% Duilever 43	17 63e Patino	Uddebolus	Hong Kong	Slunghai Hoth, 17.
105g Chrysler 191g 891g 617s Howie Packard 897g 47g 891g 141g Holiday Imp. 2070	1 203. 961. Pennyell 224.	9 61g Union Commercel 666	24% 1914 PlacerDevelopms 2414 1756 978 Fower Corposit's 1716 17 1014 Price 15	BRUSSELS/LUXEMBOURG	Jardine M. Jardine M. Jardine M. Jardine M.	at beaou
191a Citicorpi 261a 594 595 Honestake 388a 451a Utica Servica 495a 71 451a Honeywell 717a 135a 111a Honeywell 181a	121, 7 Peoples Drug, 12 371g 523g Peoples Gas 56 534g 245g Pepsion 513,	50% 41 Union Pacific. 50%	2.35 1.05 Quebec Sturgeon 2.35 1858 1258 Ranger Oil 1518 1618 1018	Asg. II Price + or Fra. Yid.	Bastogi 508.6 +3.5 _	13.5
475a Cieceland Cliffs. 6214 445a 225a Hosp-Carp. Arner 457a 3514 Coca Cols. 457a 2754 251a Houston Nat. Gaz 27	287s 1714 Perion Street 257s 647s 371s 255s Pfixer 3647s 364	Sig 7ig University 7ig 11ig 67g United Brands 11ig 35 257g US Bancorp 32ig	3514 244 Mio Aigom 3418 3418 3418	Arbed 2,595 -5 Sekert "E" 2,200 +60 115 5.8	Do.Priv	r. Prop 0.7
101 Collins Aikman 1110 2034 1034 Huston (E.F.) 2019	37 171s Phelps Dodgs 247s 195s 17 Philadelphia Ele. 181s 76 56 Philip Morris 73	283; 215; US Street 275; 275; 275; 275; 275; 275; 275; 275;		C.B.R. Cement 1,180 +4 100 8.5 Cocker(I) 440 -4 - 7.8 RBRS 2,270 - 177 7.8	Italiader	iance
1534 Communa Pict 2134 6534 507s lugersoll Rand 6844 147s Com.Ins.Co.of.Am. 1834 413s 337s inland Steel 5914	3573 2718 Philips Petro'rs. 3234	3233 2514 US Steet	1014 7% Sequire Fources 7% 38% 2214 Sequire Fources 7% 29 17% 13% Shell Canada 14% 5.50 4.30 Sherrik G.Kimes 61g	Fabrique Nat 2,760 -20 450 6.4	Ottvetti 2 Co 1,055 +2 -3 Wisson Ind	ustrial 4.9
514 Combustion Eng. 4112 1614 1224 Instico 15	281 ₆ 183 ₆ Pitney Boves 281 ₄ 281 ₂ 201 ₆ Pitneton 247 ₈ 197 ₈ 161 ₅ Plessey IAC ADE 190 ₂	185c 135c Virginia Rigch	361 ₂ 226 ₂ Siebens U. G. 341 ₂	G. H. Inno-Ben. 2,550 150 6.4 Germent 1,540 85 6.5 GRL Grux 12 1,550 164 10.7 Hoboken 2,455 +5 170 6.9 Intercom 1,765 +5 142 8.0	Pirell Spa	ridend 1 Rawar
212 C'm'w'th Oil Ref. 212 2915 2015 15th 2814 Comm. Satellite. 45 275 2015 15th Favours. 2814	661 ₄ 231 ₅ Poterroid 541 ₅	30 17 Waste-Man'ment 305c	2.85 2.30 Steep Back Iron. 2.65	Intercom 1,765 +5 142 8.0 Eredictions 7,000 290 4.1		Susp. Suspended. Belgisp dividends
5114 Conn Life Ins 41 451s 56's intl Min & Cham 40's	303, 231g PPG Industries. 3814 911a 783, Proctor Gamble. 891e	431a 280s Western Barcorp 42 361a 203s Western W. Amer 36	225g 165g Toronto Dom.Bk 205g 185g 153g Trans CauPipeLo 17 161a 81a Trans Mount One 93a	La Boyale Beige. 5,710 +10 a225 5,7 Fan Holding. 2,810 +10 a225 5,7 February 2,810 +20 174 4,6 February 2,810 +20 174 4,6	#####################################	2.500 denotes unica
231g Const Vet Ger 28 28 264 11FG	481g 24 Pullman 461g	295c 227g Western 291c		300 Gen Beigigue 2,020 +20 140 6.8	otherwise stated. I ven se semon, unless otherwise supersion. a Florine. b Schillings. c Conts. d	Dividend after pen
253g Continentel Grp. 50% 551g 571g Int. Tel. 2 Tel. 55 263g Continentel Oil 27% 15g 11g Invent. 1 14t Continentel Tale 16 58% 571g Iows Best. 3814	161s 57s Rapid American 151s	3114 20% Weyerhouser	35% SSig Welter Hiram. 35% 12% 10% West Coast Trans 19%	301937 2,460 +5 A210 8,5 Traction Elect 2,630 +30 170 6.9 UCB 916	after strip and/or rights issue. After local taxos includes Unilse div. s Note. o Share spik, s I payment. t indicated div. s Unefficial trading. s is penting. Asked. † Bid. I Traded. † Seller, † A divided, at Ex actio issue. va Ex all. a Interim.	to % tax tree.
2536 Control Data 4038 1268 1078 1U International 1212 403. Cooper Indus 5418 5538 2718 Jim Walter 53	3112 22 KGA 310g 2614 22 Republic Steel 257g 9619 161g Resorts Intl 8714	21ie 165a William Co 31 31 Wilson Co 31	193, 151, Westen Geo 201;	Un Min.(1/10) 754 -16 50 6.6 Vietlie Moutagne 1,600 +50 -	pending. *Asked. † Bid. 5 Traded. \$ Sellet. ' Al	sumed at 8x that



INSURANCE BASE RATES

Wanbrugh Guaranteerl.

Prices do not include 5 sventime, except where indicated 2 and are in peace unless other indicated. Yields 4 (shown in lest column) allow for all buying expenses, a Offered p include all expenses. b To-day spriess, a Yield based on offer price d Estimated 2 To-day spriess, a Periodic pression pression as 5 premium insurance z Offered price includes all expenses except agent's counsist price includes all expenses except agent's counsist and of the price includes all expenses are previous day's y Not of lax on realised capital came unless indicated by 6 of Guernary gross. Suspect 4 Yield before Jersey tax. 7 Ex-subdivision.



AUTHORISED UNIT TRUSTS OFFSHORE AND OVERSEAS FUNDS Bank of America International S.A. Kleinwort Benson Limited TSE Unit Treats (y) Clive Investments (Jersey) Ltd. Equity & Law Life Ass. Sec. Ltd. 9 Family 3-150 Asserting 1 Property Fig. 1212 Pers. Femily 3-150 Conv. Deposits State 1 Part 1 Guardian Reyal Exchange Baral Erchange E.C.I. 01-023 71st Properly Bonds [1902 1817] [— Hambre Life Assurance Limited # First Viking Commodity Trusts le Life Unit Tel. Mager. Lail. b St. Potess Ber, Hern. b St. Potess Ber, Hern. b Diel. 10.0 6 104 - 0.3 604 M. & G Givenpy (yilel/g) 1. Accom. 50 6 512 - 0.3 605 M. & G Givenpy (yilel/g) 1. Accom. 50 7 445 1737 Son also Shock Enchange. Accom. 60 7 445 1737 American. 354 35 (James) Magt. Ltd.V Broad St., ECZN 186 71 Lombard B. BC3. Bik Hope July 9 192.00 Netwick Union Institute Ground Netwick Union Institute Ground Netwick Union Institute Ground Netwick William Institute Beauty Fund State Ground Frond Fund State Ground Frond Inc Fund State Ground Frond Inc Fund State Ground Beauty Fund State Ground Frond Inc Fund State Ground Beauty Fund State G Phoenix Americance to Its. Phoenix Assurance Se. Ltd. 45. Else william S. ECGP-SER. 62-630 987 Weslin Am. 1328 1228 Eby. Ph. Ass. 76.5 16.5 Prop. Equity & Life See. Ca. 118. Crawford Street, WIB 78.8 01-68 823 In Sight Prop. Ed. 1285 Transinternational Life Inc. Co. Ltd. Property Growth Assur. Co. Ltd. v. Tokyo Pacific Hidga (Scebeard) N.V. Tyndall Group Equipy com [1802 | 1803 | 1804 | 1805 | 110 | Itrisis Life Assurance Co. Ltd. 11.Finnbury Square, EC.2. Rine Chp. Aug. 10. RL.3 | ES.5 | 13 | Ranagad Pard | 278.6 | 201.3 | 422 | Esterol. Man. Pd. | 180.7 | 114.6 | Prop. Red. Aug. 1 | 180.7 | 390.8 | Prop. Red. Ch. | 178.7 | 390.1 | mt Unit Tet. Mgrs. Led. (alig) ter Ametr. Co. Ltd. Berderson Baring Fund Mgrs. Ltd. King & Shacon Ltd. 593, Gammon House, Hong Kong. Japan Fd.Aug. 2. KUSZIG 2284-0 E3 Barrer, Fund. Bond Fd. Aug. 11 SUN 0 304. Cardinave of my prolin. charges. Utd. Intal Magnet (C.I.) Ltd. Winehester Fund Mage. Ltd. 7, Ed. 70, Ed. 70, Ed. 71, Taking 221 7, For Oxford 22 20 11 425 Provincial Life Assertance 222 Statement Life Assertance 222 Statement Ed. 222 Statement Ed. 223 Statement Ed. 224 Statement Ed. 225 Troy Remarked Ed. 225 Troy F. July 19 125 De. 225 T 14. Rue Aldringer, Lozembourg U.S. Pet, Inv. Fad. S11.54 4-410 6.00 Not seect August 10. & Dudley Tal Magazat Lin. sational Pacific Inv. Magt. Ltd. S. G. Warburg & Co. Ltd. 20, Gresham Street, EC2. 20, Ltd. 20, Ltd Vanhrech Life Amurance Vanhereck Life Americane 41-43 Madder St. Lón. Wir E.A. Minneyd Fd. 1933 1 1412 Equity Fd. 252,4 244,7 1/211 Fond 112,9 115,8 1/222 Intern Fd. 125,1 124,9 1/223 Fond 112,5 125,8 1/224 Intern Fd. 125,1 15,9 1/225 Fand 112,5 125,8 72.3 76.31 - 6.41 - 5.74 & Law Up. Tr. HLV (elfo)(elfo) S. Belong Deducated ECT 01-237800 Orange Blue 13 99.87 1.101 Do Annuity On 12.42 | Do. Asserting 13 | 59.07 | 51.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 50.00 | 5 Charles Gross, St. Heiler, 19, Cl. 6334 7761, CMP 14d July 77, CMP 14d Jul Washrugh Pensions Limited CLIVE INVESTMENTS LIMITED Royal Exchange Ave., London ECSV SLU. Tel.: 01-283 1:01. Index Guide as at lat August, 1978 (Base 198 at 14 175) Clive Fixed Interest Capital 131.60 Clive Fixed Interest Income 117.33 World Wide Growth Managem 10a. Boulevard Royal, Laneabourg. Worldwide Gth Fd| \$US14.07 |+102| --Save & Prosper Gro CORAL INDEX: Close 514-519 Carnhill Issurance Ca. Ltd. Sn. Corobill Min. Cap. Pat. Aug. 18. 100.0 Col. Pat. Aug. 18. 100.0 Col. Pat. Aug. 18. 100.0 Unchief Voly72. 107.0 Unchief Voly72. 107.0

Lloyde Bk. Unit Tst. Magra, Ltd.

NDUSTRIAL AND COMMERCIAL

FOOD, GROCERIES Cont

FT SHARE INFORMATION SERVICE

A RAILS—Cent.

BANKS & IR—Continued

THE LAND SHARE INFORMATION SERVICE

CHERICALS FLASTICS—Cent.

BANKS & IR—Continued

THE LAND SHARE INFORMATION SERVICE

CHERICALS FLASTICS—Cent.

BANKS & IR—Continued

THE LAND SHARE INFORMATION SERVICE

CHERICALS FLASTICS—Cent.

THE LAND SHARE INFORMATION SERVICE

THE CONSTRUCTION BONDS & RAILS-Cont. Henry Ecct Construction Limited ondon 01-373 6494 Sheffield 0246 410111 British Funds Strek | Price Lest Viels | Sect | Free | Last | Test | Test | Sect | 'Shorts'' (Lives up to Five Years) **AMERICANS** UVET FARELS

14 of Transpring Co. Every
13 Studing Co. Every
13 property User 18522

13 property User 18522

13 property User 1853

13 property Bnc 1853

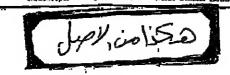
13 property Bnc 1853

14 property Bnc 1853

14 property User 1853

14 property User 1853 S.E. List Premium 547% (besed on US\$1,9228 per £ Conversion factor 8,6457 (8,6438) CANADIANS FINANCIAL TIMES

FORMER IN LONG FRANCE AND THE PROCESS OF THE PROPERTY OF THE COMEIONWEALTH & AFRICAN LOAMS



Financial Times Monday August 14 1978 INDUSTRIALS—Continued INSURANCE INV. TRUSTS—Continued PROPERTY—Continued | Book | Prim | Lord | Rev | Trip | Will | Sec | Prim | Trip | Will | Sec | FINANCE, LAND—Continued | Britisads | Suck | Price | St. | Price | Serving the world Miridenia | Suck | Prior at Not Cur Gris Pig. with financial expertise. | Color | Colo Tokyo, Japan · MINES—Continued CENTRAL AFRICAN 14 050c 13 21.7 17.4 057 7.1 4.5 17.6 010.0 12 5.5 12.6 092 163 8.3 17.8 07.2 1.4 17.1 **AUSTRALIAN** SHOES AND LEATHER RUBBERS AND SISALS NOMES AND ADDRESS OF THE PROPERTY OF THE PROPE TEXTILES REGIONAL MARKETS | 7.7 | The following is selection at abusing distribution of the following is selection at a bound quantities at a fact of the following is selection at th **OPTIONS** 3-month Call Rates

FINANCIALTIMES

Monday August 14 1978



Japan businessmen happy with treaty

JAPANESE reaction was almost Apart from the anti-hegemony faces a re-election fight in totally favourable today to the clause, the treaty calls in vague December for the presidency of Japan-China peace and friend-terms for developing peaceful the party, which automatically ship treaty signed on Saturday. relations and improving cultural implies the Prime Ministership.

the anti-begemony concept become a pillar of Japanese foreign policy.

with China, it appears that two
London banks will get credit
department support for
schemes they have proposed

which the banks place deposits with the Bank of China while payments to the exporting company fall due.

Figures expected to show end of decline in inflation

The retail price index for midJuly, due to be published on of a batch of economic indicators
Friday, is expected to show a due to be published this week.
small rise in the 12-month rate
compared with the increase of figures and retail sales a

mortgage rate.

Mr. Roy Hattersley, the Prices
Secretary, has already said that the 12-month rate is likely to fluctuate from month to month around a level of about 8 per cent for the rest of this year.

Some City analysts believe

These indicators are expected to confirm the upturn in the tender of economic activity. Industrial output in particular, may show a recovery following about prospects for the economy.

There will be particular market figures.

Public sector may be given temporary accounts system

BY JOHN LLOYD

to enforce some measure of The accounting profession is a historic cost basis, any sum pure research, for example into uniformity on the accounts of sceptical of the compaints made set aside for replacement of new materials, new methods of nationalised industries, which by the chairmen of the assets should be clearly marked aircraft construction, new wing have been the target of criticism nationalised industries in a letter off from the historic cost depresent of the controls, is financed by Governfor their widely differing methods to Mr. Denis Healey, the Chancel- ciation, and not related to it. of calculating depreciation.

Ior, last week, that the lack of There is still debate with:

of calculating depreciation.

However, the Government may inflation accounting standards for the guideline on inflation accounting standards for the public sector if the proposals of the Inflation Accounting Steering Croup (Morpeth Group) on Chartered Accountants, said that the lack of the profession on whether or not this extra sum should be a guideline on inflation accounting. While the nationalised industries chairmen have not yet had a response from the Treasury to the accounting are delayed the accounting standard on their plea for guidelines, it is financed by Government. Controls, is financed by Government to it. Controls, is financed by Government to it. Controls, is financed by Government to it. Controls, is financed by Government to it.

In the UK nut of £40m spent annually on pure research, £15m is allocated to aerospace as a whole of which £5m goes on civil tries chairmen have not yet had a response from the Treasury to the inclinding £2m their plea for guidelines, it is financed by Government. public sector if the proposals of the Inflation Accounting Steering Group (Morpoth Group) on inflation accounting standard of the Inflation Accounting Steering Group (Morpoth Group) on Chartered Accountants, said that the accounting standard on much longer.

Mr. Robert Sheldon, Financial Secretary to the Treasury, told the Commons last week: "We companies reporting for financial the Commons last week: "We companies reporting for financial sent state of affairs." He consected that the criticism of the continual section inflation accounting.

Mr. Robert Willott, technical three institute of the I

Nigeria loan tangle nearer solution Sibn "jumbo" loan to Nigeria.

Sibn "jumbo" loan to Nigeria.

The German banks' committing plain that the contract for the national banking tangle which has arisen over the loan will be to these did not want to use up year, originally committed the sorted out this week.

Progress on the loan has been ing in the loan. According to has since been re-negotiated so external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external assets of the Central Rudgest Bank of Nigeria (which holds over 90 per cent of external a external assets of the Central

sorted out this week.

Progress on the loan has been ing in the loan. According to has since been re-negotiated so returned ing in the loan managers, it also pronight. It was announced just vided a precedent of project currency costs would be covered over a month ago, with half of financing which has discouraged by borrowing from German the total underwritten by the six other banks from participating banks and a DM 1.2bn loan from banks around the N1.5bn mark at the built of the foreign of that the built of the foreign over a month ago, with half of financing which has discouraged by borrowing from German the total underwritten by the six other banks from participating banks and a DM 1.2bn loan from by borrowing from banks and a DM 1.2bn loan from out the year, there has been no further dramatic drop like that in the first two weeks after not directly tied to individual agency.

What the "immbo" managers days when the bank's external linear the bank's external linear the bank's external linear the bank's strength of the foreign on that the built of the foreign on that the built of the foreign on the banks and a DM 1.2bn loan from further dramatic drop like that recorded between April and Loadon linear the bank's external linear the bank since been re-negotiated so and of May.

the announcement, commitments projects.

The announcement commitments projects.

What the "jumbo" managers May, when the bank's external projects.

The announcement commitments projects.

The announcement projects.

The announcement commitments projects.

The announcement commitment projects.

The announcement commitment projects.

The announcement commitment projects and the purpose assets fell from N2.167bm to N1.864bm in one month.

The announcement commitment projects and the purpose assets fell from N2.167bm to N1.864bm in one month.

The announcement com rency was even greater in the Biarritz first five months than these Range managers have come up against Nigeria. then Japanese banks The German banks would, it figures would suggest, since it two major problems.

One concerns a commitment might well feel they should do from the Nigerians guaranteeing country was completely drawing Cashings of Carman the same.

One concerns a commitment might well feel they should do by a consortium of German the same.

The more general commitment of project finance for a their customers should now be steel plant at Warri in which less of a problem than two weeks pleavily proposed.

The other is a more general commitment of international banks to support available as and when necessary.

According to the jumbo currently look much less worry of Nigeria's balance of payments problem of commitments by the clear that if is planning to ago.

According to the jumbo currently look much less worry of Nigeria's balance of payments problem in the next few months, and the fall in reserves may now banks to support customers by untied.

As of early August, total

Vauxhall talks resume in bid to end dispute

BY NICK GARNETT AND ARTHUR SMITH

costs cause concern

indicators (expected on Wednessent monthly increases have heen higher than this, and the July figure will this year be affected by the recent rise in the monthly and cross Domestic Product and seven for July figure will this year be affected by the recent rise in the monthly increases have and Gross Domestic Product and seven for July figure will this year be affected by the recent rise in the monthly increases have and Gross Domestic Product and seven for July figure will this year be affected by the recent rise in the monthly increases have a fine of the way in which the Government is seeking to pass on to the or cannot do with its money, that the month to mid-July.

Retail sales figures for July and the June industrial productive and seven for July and the june industrial productive for be financed only out of profits. nationalised British Aerospace this kind of pure research can the financial responsibility for be financed only out of profits. civil aircraft research, even which last year amounted to where this is conducted by other only £29m out of a turnover of bodies such as the Royal Aircraft £860m.

Establishment at Farnborough.

British Aerospace accepts that research directly applicable to specific alrerali programmes, such as the 146 feeder-liner. funds allocated for such pro-

But it feels it is unreasonable for the Government to expect-it also to pick up the bill for "pure" research, not directly re-lated to specific ventures but intended to keep the UK in the forefront of civil aviation pro-

AN ACCOUNTING standard, cedures in state industries was. The standard specifies that introduced in January, is likely justified.

The nationalised body says that where assets are depreciated on in the U.S. and Western Europe.

UK TODAY MAINLY DRY, supny periods. London, S.E. England, E. Anglia Cloudy with occasional rain, 22C-24C (72F-75F). Cent., E. England, Midlands

Cloudy, sunny intervals later. Max. 22C-24C (72F-75F). S.W. England, S. Wales, Channel Isles Drizzle in places, becoming brighter in sheltered places, more

rain later. Max. 22C (72F).
N. Wales, N.W., N.E. England,
Isle of Man
Cloudy. Outbreaks of rain.
Max. 17C-19C (63F-66F).

Borders, Edinburgh, Dandee, Aberdeen N.E. Scotland, Orkney, Shetlands becoming brighter with cattered showers. Max. 15C-17C

.W. Scotland, Glasgow Cent. Highlands, Argyll, N. Ireland Showers, rain later. Max. 16C-18C (61F-64F). Outlook: Changeable, cool.

BUSINESS CENTRES



HOLIDAY RESORTS

THE LEX COLUMN

Forecasting under d a legal cloud

The business community particularly welcomed the pact.

Mr. Yoshirro Inayama, chair man of Nippon Steel said that it was an axis for promotion of peace in the world. Dozens of agreement was expected to support further growth.

Mr. Yoshirro Inayama, chair man of Nippon Steel said that it was expected to support further growth.

Mr. Yoshirro Inayama, chair and equipment, have been soar ties between them.

David Satter writes from peace in the world. Dozens of agreement was expected to support further growth.

Mr. Yoshirro Inayama, chair and equipment, have been soar ties between them.

David Satter writes from peace in the world. Dozens of agreement was expected to support further growth.

It will have an especially of industrial plant signed an agreement normalising the agreement was expected to support further growth.

Mr. Yoshirro Inayama, chair and equipment, have been soar ties between them.

David Satter writes from pour further growth.

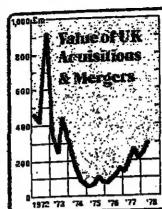
The tracty had been pending the dispute authorised the committee to act at Vauxhall's Ellesmere Port as it considers necessary.

Common to the skilled men is frustration of the skilled men is frustration at the impact upon differentials of several years of rigorous pay restant the impact upon differentials of several years of rigorous pay restant the impact upon differentials of several years of rigorous pay restant the impact upon differentials of the skilled men is frustration at the impact upon differentials of the skilled men is frustration at the impact upon differentials of several years of rigorous pay restant the impact upon differentials of the skilled men is frustration at the impact upon differentials of several years of rigorous pay restant the impact upon differentials of the skilled men is frustration at the impact upon differentials of several years of rigorous pay restant the impact upon differentials of the skilled men is frustration at the impact upon differentials of several years of rigorous pay restant the impact upon differentials of several years of r Most commendators polated to the world. Docens of pages and the world. Docens of the world. D

BY PETER RIDDELL, ECONOMICS CORRESPONDENT

OFFICIAL COnfirmation that the 12-month rate will return intension that the year-long decline in the annual rate of retail price index for most is the time being should be promoted later this week. But any vided later this week. But any reliable than one made at a ment of his professional professional majority the f moment chosen by management advisers. —at the time of a new issue, for example, or at a moment of American fear confidence during the business

sternly prohibited over there be less vulnerable than the into it.



The Tremletts case of 1975 to three places of derima year.

1976 demonstrated that pro-bold type has in auraIt is significant that in the fessional advisers could be established cruth about
U.S., where the information legally vulnerable to a disap however sweeping the un released by companies is conpointed bidder. The recent lying assumptions (in a
trolled under Securities law,
there is a move afoot in favour
banks and auditors to the as a likely range of profit is
the profit forecast. Till six
American fear of litigation. a more honest impression

very set of profit forecasts were years so profit forecasts were They should, on the face of it, the guess-work that has

,我们就是我们的一个人的,我们就是一个人的,我们就是不是一个人的,我们就是一个人的,我们就是一个人的,我们们也不是一个人的,我们们也不是一个人的人的,我们就是

managements they advise generally assume full res bility for profit forecasts. insurance policies against ages arising out of profess

union proposals to pay the drivers special meal allowances as well as attempts to improve the company's plan to alter the drivers' hours in accordance with ECC regulations.

Meanwhile, unofficial leaders of BL Cars' 14,000 craft workers are today urging a one-day stoppage in pursuit of improved differentials and separate bargaining rights.

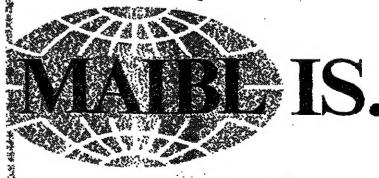
Today's response to the strike call might determine whether tolomakers are prepared to take size to traising productivity to joint action with the craft workers to advance their common aim. Mr. Roy Fraser, chairmann of the unofficial toolmakers at BL Cars, whose four-week strike makers at Chrysler and Vauxhall.

Leaders of the toolmakers at BL Cars, whose four-week strike makers at Chrysler and Vauxhall. Leaders of the toolmakers at the brink of force as the response of the companies to make profit forceasts which the residuance on with the tool allowance and their outcomes which it undertook in the early bublishing forceasts. They fear over Panel withed undertook in the early that without a "safe harbour ing that without a "safe harbour that without a "safe harbour inprove the standard clause" they will be sued by sale without a "safe harbour inprove the standard that without a "safe harbour input that some of the considers was an that the profit forecast in the carly was

Improved assumptions indulge in less spur accuracy in presenting t

...big where it counts. The first major consortium 🖰 🦥 📆 bank; its members have aggregate assets of over-£34,800 million.

... small where it matters. Your business will be handled at senior level by experts who pride them-selves on providing a fast, efficient and, above all; personal service.



...wide ranging and flexible. Whatever your particular need. MAIBL will tailor a financial package to meet it, whether it be the provision of working capital, project hnancing, leasing of restructuring debt.

...truly international. The scope of our services spreads throughout the world, so that we can assist you wherever you need our help in bringing your plans to successful fruition.

CHARGES TESTER



MIDLAND AND INTERNATIONAL BANKS LIMITED 26 Throgmorton Street, London EC2N 2AH, Telephone: 01-588 0271. Telex: 885435.

Representative Office in Melbourne, Australia, Subsidiary Company, MAIBL Bermuda (Far East) Limited, Hong Kong. Member Banks, Midland Bank Limited; The Toronto-Dominion Bank; The Standard Chartered Bank Limited;

The Commercial Bank of Australia Limited.

ه کامن لاصل

